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Introduction

Seeds of an Economic Democracy Movement Sweep the Nation

In December 1994, Baltimore's mayor signed into law Council Bill 716 requiring city contractors to pay service workers at least \$6.10 an hour. The first of its kind in the nation, the new Living Wage ordinance followed a year long broad-based grassroots campaign organized by the American Federation of State, County and Municipal Employees (AFSCME), and a group of 50 multi-denominational churches called Baltimoreans United in Leadership Development (BUILD). The victory's impact spread far and wide. Before the win, Charles Riggs, a 32-year-old who cleaned Oriole Park at Camden Yards, checked in at the local homeless shelter every night because his \$4.25 an hour full-time pay check couldn't support a rented room. Thanks to the new law, Riggs saw his wages increase by almost 50% immediately. Even more, he could look forward to further raises to a legally guaranteed minimum of \$7.90 by 2001. An estimated 2,000-3,000 workers stood to gain directly from the ordinance.

But the benefits went further. Local church soup kitchens and homeless shelters no longer had to feed and shelter workers such as Riggs. The AFSCME/BUILD coalition persuaded the mayor to take back, as government jobs paying a living-wage, custodial services for 36 schools that had been previously contracted out. As part of the campaign, activists also set up an organization of low-wage workers: the Solidarity Sponsoring Committee.

Most important, Baltimore's example sparked a grassroots movement. Across the country labor, community, and religious groups began teaming up to organize for living wages and corporate accountability. While the specifics have varied, all campaigns have followed the basic formula used in Baltimore by requiring certain companies receiving public money to pay a Living Wage and to fulfill other community-driven criteria. Several key players have emerged as leaders of the Living Wage movement. The Association of Community Organizations for Reform Now (ACORN) has played a lead role both locally and nationally as well as locals of unions such as SEIU, HERE, and AFSCME. Local leadership has also come from area central labor councils, Jobs with Justice and the New Party. The Brennan Center for Justice at the NYU School of Law and the National Law-

yers Guild /Sugar law Center have provided invaluable legal support in some campaigns. And increasingly organizations like local peace and justice groups, the Gray Panthers, homeless advocacy groups, religious leaders, tax justice organizations, etc. are stepping up to take leadership roles.

In the few years since the Baltimore campaign, Living Wage coalitions have won local ordinances in eighty-one jurisdictions including Milwaukee, Minneapolis, Los Angeles, Duluth, New Haven, Portland (OR), Jersey City, Boston, Oakland, San Antonio, Detroit, Miami, Chicago, San Jose, Alexandria, and Buffalo (see appendix for full list). Together these victories and the campaigns that inspire them present a solid record of grassroots success unparalleled in recent progressive history.

Even when campaigns have faltered initially, the Living Wage phoenix has shown that it can rise from the fire. Early ambitious efforts to raise local minimum wages, for example, met with defeat at the hands of well-funded business opposition, but reemerged as Living Wage and corporate accountability campaigns in St. Louis, Denver, Albuquerque, and Houston. One of the earlier Living Wage efforts — a 1995 Living Wage and corporate accountability ballot initiative in St. Paul — was defeated at the polls, but spawned a Living Wage Task Force that eventually delivered a Living Wage resolution in both Twin Cities. And incredibly, the feisty and persistent Chicago Jobs and Living Wage Campaign snatched a Living Wage victory from the jaws of an earlier council defeat when the mayor and council members sought to raise their own salaries. The Montgomery County (MD) and Missoula (MT) campaigns also lost initially, but went on to win.

And the momentum continues to grow. By the end of 2002, new Living Wage efforts had taken root in over 100 additional cities, counties, and campuses, including Little Rock, Honolulu, Knoxville (TN), Richmond (VA), Sacramento, Wichita (KS), and scores of universities.

Win or lose, Living Wage campaigns provide an important step toward building a movement for economic justice and democracy. They have the potential to unite broad coalitions, take people out into the streets with

grassroots campaigning, develop grassroots leaders and organizations, raise a public debate about the problem of working poverty, and point to basic and fundamental questions concerning economic development, corporate responsibility, and governmental accountability.

Living wage efforts aid existing community struggles in direct and immediate ways. Successful laws have helped block privatization of government services to low-wage contractors, provided a litmus test for elected officials and candidates, and cut to the core of the debate over welfare “reform.” Most important, Living Wage campaigns have the potential to build power for low income and working families by strengthening the institu-

tions that are in the position to represent their interests: community organizations in the neighborhoods and labor unions in the workplaces.

This guide offers a tool box for developing a local Living Wage campaign and provides context for further discussion and assistance. It pulls together documents from past campaigns with expertise gleaned from interviews with Living Wage organizers across the country. The material represents a work in progress. We welcome all comments and additions. Contact the ACORN Living Wage Resources Center (see next page) or David Reynolds, Labor Studies Center, Wayne State University, 656 W. Kirby -3178FAB, Detroit, MI 48202.

Guide Overview

- **Chapter One** profiles the basic issues behind the Living Wage. The strength of the concept lies in its combination of very practical measures to raise poverty wages with broader questions of corporate accountability and economic democracy.
- **Chapter Two** offers rich stories of sample campaigns. These experiences highlight the drama of Living Wage efforts as well as the different ways in which campaigns develop.
- Before jumping into the details, activists need to first examine what it is they are doing. **Chapter Three** explores the basic strategic questions which activists have to raise when first considering a campaign.
- The rubric of “Living Wages” has been used to support several different kinds of actual laws. **Chapter Four** sifts through the details of successful Living Wage statutes to explain the differing options for what is being required of whom.
- **Chapter Five** explores the varying motivations that lead diverse groups to unite in common struggle. We also explore the details and dynamics of coalition building. How have people built their coalitions and what are the questions and obstacles that activists need to consider?
- An effective mobilization requires effective research. **Chapter Six** outlines the relevant research questions and where to go to find information.
- **Chapter Seven** looks at the common anti-Living Wage arguments and the ways in which activists have responded to them. We highlight the importance of proactive strategies that anticipate the opposition.
- Passing an ordinance has proven only the first round in the struggle for Living Wages. **Chapter Eight** explores how several campaigns have organized to implement and enforce their Living Wage laws.
- **Chapter Nine** reminds us that Living Wage campaigns are simply one step in building a broader movement. Examples from Baltimore, Milwaukee, Boston, Los Angeles, Santa Clara County, and elsewhere demonstrate the long-range projects which grow from Living Wage organizing.
- Born in local campaigns, the living wage concept today has become part of the arsenal in growing efforts to redefine state economic development policy around the goals of economic justice. **Chapter Ten** summarizes several of these efforts as well as the new organizing project for a federal living wage.

While each chapter offers a wealth of short examples, the **Appendix** provides a sample collection of “nuts and bolts” materials used in past campaigns. These documents include several actual ordinances, coalition material, sample testimony, research findings, and sample press releases and media clippings.

Questions About Living Wage Organizing?

Need Information on Living Wage Campaigns?



Contact:

ACORN Living Wage Resource Center

How We Can Help

The Resource Center provides summary materials on living wage campaigns and ordinances across the country. Its staff compiles and shares sample materials and can assist you in developing organizing and political strategies for your local living wage campaign. The Resource Center also builds relationships with policy organizations, researchers, legal experts, journalists, etc. in an effort to make their work relevant and accessible to the living wage movement and its organizers. As resources permit, ACORN staff and member leaders will provide on-site training and presentations for leaders, staff and allies of local living wage campaigns upon request.

Who We Are

ACORN is the nation's oldest and largest grassroots organization of low and moderate income families, with over 120,000 members in 45 cities across the country. Over the past seven years, ACORN chapters have taken a leadership role in more a dozen living wage campaigns, including victories in Chicago, St. Louis, Boston, Oakland, Denver, Minneapolis and St. Paul. To help build the growing living wage movement, ACORN has established the Living Wage Resource Center to provide assistance to living wage campaigns wherever they arise.

On the Web

ACORN's living wage web site provides summary materials and news from the movement as well as a living wage list serve to facilitate information sharing among organizers and researchers involved in current living wage campaigns.

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Chapter One

The Basic Issues

Before delving into organizing details, we want to briefly step back and examine the basic economic realities driving the Living Wage movement.

Declining U.S. Wages and Falling Living Standards

The most immediate reality behind Living Wage organizing is the dramatic erosion of the minimum wage. Even with the 1996 increase to \$5.15 an hour the buying power of the minimum wage is still 30 percent below its peak in 1968. This is true despite the fact the economy was about fifty percent more productive than in 1968. A minimum wage that had kept pace with productivity gains would be roughly \$11.20 today.¹ Instead, at \$5.15 an hour a full-time worker still earns \$7,800 below the \$18,100 poverty line for a family of four in 2002.

Opponents of a higher minimum wage often portray low-wage workers as teenagers earning some extra cash in part-time jobs. However, a study by the Economic Policy Institute on the impact of the 1996-1997 increase in the minimum wage to \$5.15 demonstrated that most minimum wage workers are adults struggling to raise a family. The researchers found that ten million workers benefited from the full 90 cent increase. Seventy-one percent were adults and 58% were female. The study estimated that the close to ten million more workers who earned between \$5.15 and \$6.14 an hour would also likely gain from the spill-over effect of the increase. Five out of six of these workers were adults. Of the two groups combined, over half worked at full-time jobs, most of the rest at jobs over twenty-hours a week. In doing their local research, Living Wage campaigns have placed human faces on these statistics, in some cases identifying workers who struggle for years to raise families on dead-end, poverty-paying jobs.

The reality of low-wage jobs recasts the image of poverty in this country. By 1992 nearly one out of every six Americans, and almost one quarter of all children, lived below the federal government's poverty line. Nearly half of all families with children under 18 maintained by women lived in poverty.² The fact that over one out of six workers earned below \$6.15 an hour in 1997 suggests that poverty is a symptom of exploitation at work. Worse, as table 1 suggests, since 1973 the poor are sim-

Table 1
Real Family Income Growth Adjusted for Inflation

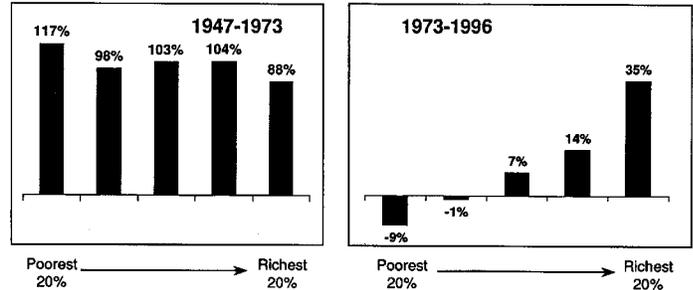


chart from: AFL-CIO Economic Education Program;
source: U.S. Census Bureau. Based on mean family income.

ply getting poorer as their share of the nation's wealth becomes even smaller.

Poverty wages can be found even in the most prosperous communities. Alexandria, Virginia has one of the highest median income levels in the country. Yet, living wage organizers found that one out of five residents lives in poverty. Washtenaw County, Michigan has a poverty rate identical to the national average despite having the prosperous professional college-town of Ann Arbor as its major population center.

While those at the bottom of the income ladder have it worse, an alarming wage decline has impacted the vast majority of Americans. Table 2 shows that the average wage of non-supervisory production workers peaked in the mid-seventies and has declined ever since. In 1994, the average hourly wage of \$10.46 an hour was below its 1968 level (\$10.61 when adjusted for inflation). People entering the work force have the hardest time. By 1993, the average entry level wage for a person with a high

Table 2
Average hourly earnings in 1997 dollars

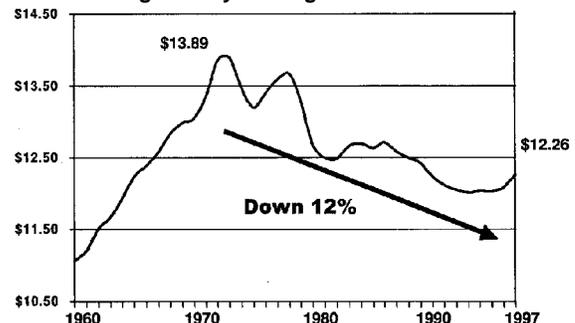


chart from: AFL-CIO Economic Education Program;
source: Economic Report of the President, 1998

school education was a mere \$6.42 an hour — down from an inflation adjusted equivalent of \$8.56 in 1973. For college graduates the drop went from \$12.18 in 1973 to \$11.33 in 1993. Benefits have taken a beating as well. In 1980, 71% of full-time workers were enrolled in medical insurance wholly financed by their employer. By 1993 this had dropped to only 37%.

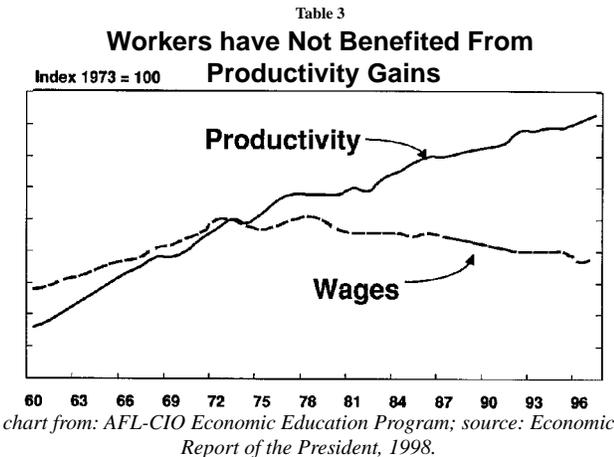
country has witnessed a full scale shift of wealth toward those at the top. The 80 percent majority have seen their incomes and standard of living either stagnate or fall.

American Business Takes the Low Road

The standard business reply to the above statistics points to the global economy and the supposed need to “be competitive”. To survive in the global market place companies must cut costs, so the argument goes. And that means cutting labor costs — either by shedding workers, squeezing more work from the existing work force through overtime and speed up, or lower wages and finding cheaper labor.

Yet, the major competitors of U.S. companies in the developed nations, including Europe and Japan, do not use lower wages as a competitive tool. Indeed, Germany continues to be an industrial export powerhouse, despite currently having the highest wage rates in the world. The Germans also do not compete with more work hours. While the U.S. is the only industrialized nation not to legislate mandatory paid vacations, in Europe a month or more is common. Through collective bargaining, German unions in industries such as auto are soon approaching a work year of only 1500 hours (as opposed to the U.S average of 2080). France has just gone to a 35 hour work week and pressures for similar changes can be found in the rest of western Europe. Furthermore, of all the industrially developed countries, the United States economy is least dependent on global exports. Today, roughly eighty percent of our goods and services (and ninety percent of the economy below the *Fortune* 500 firms) is consumed locally. By contrast, Germany — with one third the population of our country — trails only the U.S. as the world leader in overall volume of exports.

The real issue is not some inevitable global market mandate, but the particular competitive path that many American companies have chosen to follow. This “low road” seeks short-term increases in the bottom-line by directly lowering costs and casts high wages, benefits, and other worker protections as obstacles to competition. In the past two decades, U.S. managers have used outsourcing to low wage suppliers, overseas plants, temporary and part-time work, downsizing, and union-busting to increase their immediate bottom line. The low road invites vast inequalities while centralizing skills and brain work into the hands of the privileged few. It prioritizes quantity over quality. And, when it comes to the



Families have compensated for decline incomes and benefits by sending both parents out into the work force, taking second jobs, and going into debt. Household debt has climbed steadily since the early 1980s. Today, married women with children under six join the work force at the same rate as everyone else. Unfortunately, as women participate in the work force at the same rate as men, they still do not earn the same amount - 71 cents to every dollar a man earned in 1992. This figure, plus the mushrooming poverty rates among families maintained by women suggest that the need for a Living Wage has a strong gender component.

However, not every one is worse off. In 1996, an average CEO at a top U.S. corporate earned 209 times what the average worker in their company earned. That’s nearly five times what their proportion was in 1960 and almost six times the ratio of their German and Japanese counterparts today.

We are a wealthier country than we were three decades ago. As table three shows, productivity has continued to increase while wages have fallen. Our Gross Domestic Product, when adjusted for inflation, is three times its level of the 1950s. This figure suggests that the problem of poverty and poverty-wages is not one of a lack of resources, but of basic inequality. Between 1979 and 1994 the bottom fifth of Americans saw the value of their income fall by 14%, while the top one percent saw their wealth increase by 83%. Since the late 1970s, our

bottom line, the low road draws little connection between the firm's well being and the health of workers, the community, or the environment.

However, the low road is not the only path. In Europe, relatively stronger labor movements and more developed traditions of Social Democracy have pushed business much more down a high road to competition. High-road firms do not so much lower costs as raise the value of their expenditures. They invest in their work force and, hence, their long-range future. Rather than competing with low wages, many European firms look to a work force that can contribute more than simply a pair of hands. Well paid, highly unionized workers have the skills and channels of input that allow companies to incrementally adjust to a changing global environment.

Indeed, Germany has maintained its status as a major exporter of industrial goods by producing well-designed, top-quality products built in highly efficient and productive work places. The long-term economic data given in the chart below reveal a German economy that has generally out-performed the U.S. over the long-term. A high road economy ties the fate of the firm to the welfare of the workers, community, and environment. In nations such as Sweden, Germany, and Austria people speak quite directly of a "social partnership." Through formal and informal rules business, labor, and government look toward collective responses to the challenges of changing economic conditions.

While the low-road can deliver impressive gains in the short-run, a growing body of scholarship suggests that the high-road provides the key to long-term economic health. From the view point of the isolated individual firm, however, the low road has clear advantages. Wage concessions, for example, improve the bottom line almost immediately with no new investment. By contrast, a high road strategy to raise workers' skill levels requires a significant investment of money in the short run while the eventual benefits are down the road.

Low road strategies can also be taken unilaterally by a firm. The high road, however, requires a collective framework. Germany, for example, has a far more skilled work force than the U.S. because a national apprenticeship system brings together businesses, unions, and gov-

ernment. Most young people who do not go to university receive extensive and broad vocational skills training through this system. German firms also benefit from significant worker participation in running the firm. Germany's co-determination laws mandate that half the supervisory board of major companies be elected by the work force. Within the workplace, the law requires management to obtain the approval of worker-elected works councils for a significant array of decisions. A legally protected "Handwerk" sector also produces customized quality goods in small workplaces organized around artisan lines. While paving the high road, German law provides far less incentives to pursue a low road economic strategy. An extensive welfare state, including a national health care system, means that German firms can not avoid paying the costs of benefits simply by changing an individual's terms of employment. Outsourcing and union-busting simply have far less place within the German tradition of more centralized collective bargaining. Germany's management and unions sign collective bargaining agreements that typically apply to entire industries, not individual firms.

German and U.S. Long-term Economic Performance	Federal Republic of Germany	United States
Average annual growth rate 1963-73	4.4%	4.1%
Real GDP growth average 1960-89	3.7%	3.2%
Fixed Capital Formation as a percentage of GDP average 1960-89	22.5%	18.1%
Trade Balance as percentage of GDP average 1960-89	2.7%	-0.6%
Annual Inflation rate 1983-1992	2.2%	3.2%

From: Fritz Scharf *Crisis and Choice in European Social Democracy* (Ithaca, NY: Cornell U. Press, 1987) p.8 and Kirsten Wever *Negotiating Competitiveness* (Cambridge: Harvard U. Press, 1995) pp. 41-49.

In the U.S, by contrast, our institutional framework often encourages the low road. Today, the U.S. stock market is dominated by institutional investors — insurance companies, mutual

funds, brokerage firms, etc.— who buy and sell huge amounts of stock aiming to increase their investment over a very short time horizon. Many mutual funds, for example, report back to their customers in quarterly reports. American managers, thus, face serious pressure to deliver short-run gains — even at the expense of the company's long-term health. Outsourcing or demanding wage concessions improves the quarterly report. At the same time, it destroys employee morale, quality, and productivity over the long-run. Worker training and product development use up resources in the short-run, but are keys to future success.

Urban Economic Policy Funds the Low Road

Unfortunately, most American cities continue to follow economic development strategies that simply encourage the low road. Conventional wisdom argues that cities have to attract business by passively providing the market what it wants. By lowering taxes, offering special incentive packages, reducing government regulation,

and creating a “positive business climate” cities hope to lure investors. Such strategies seek quantitative job growth with little concern for the quality of the jobs. They focus on attracting business rather than retaining or renewing investments already made. Their tax abatements and other fiscal incentives come as generic giveaways with few strings attached. Public control and influence is seen as a disincentive for business. The environment must be sacrificed in an assumed tradeoff with jobs. The private sector is good, the public sector is bad. Services currently run by governments can be best handled by private contractors. Cities and states compete with each other to attract the big-scale investors using ever greater packages of tax breaks and corporate welfare. Those who best open the low road are declared the “winners.”

As the example of Europe suggests, however, local governments can pursue an alternative, high road course. Cities can attract investors not on the basis of low wages and low taxes, but on the quality of their work force and the collective resources cities can offer. Scarce tax-payer resources can be targeted to high-road firms that make binding commitments to expand family-supporting jobs. Cities can invest in their own communities and workers. Businesses are then attracted to a skilled work force, an efficient and modern infrastructure, and opportunities to cross-fertilize with related firms linked through public-private partnerships. Poor neighborhoods generate their own economic energy when collective creativity and com-

munity activism are supported by public funding. Businesses can sell locally in a high wage economy that supports consumer demand. Both firms and the environment benefit from sustainable, quality-based business activity. Public services and utilities offer efficient, inexpensive support to business activity. Government regulation blocks low-road strategies while rewarding high-road practice. Most important, unions, community groups, and a mobilized public become constructive partners in building a collective economic future.

Living Wage Campaigns Start Communities on the High Road

Living Wage campaigns challenge conventional urban economic policy by asserting a vision focused on quality, not just quantity; on long-term health, rather than short-lasting and costly gains. Concretely, local Living Wage laws help deter low-road, low-wage business practices while benefiting companies already on the high road. Furthermore, Living Wage campaigns bring together diverse coalitions of unions, community groups, religious organizations, and elected officials. These are the human and institutional building-blocks for a broad social movement for economic justice and a high road future.

¹ Robert Pollin and Stephanie Luce *The Living Wage: Building a Fair Economy* (New York: New Press, 1998)

² Unless otherwise stated all figures in this section come from Nancy Folbre *The New Field Guide to the U.S. Economy* (New York: New Press, 1995).



from AFL-CIO's magazine: *America@Work*

Chapter Two

Sample Campaigns

No two Living Wage campaigns are the same. Activists have to adapt their strategy to the distinct conditions found in their community. The six campaigns profiled below illustrate the basic, yet varied experiences of Living Wage organizing.

#1 Milwaukee — Organizing Over the Long Haul

When a handful of local activists got together for lunch several years ago, they did not even know about Living Wage campaigns. Baltimore's pioneering effort was only just underway. They did know, however, that local progressive groups were fighting far too many defensive battles. Any one who attended local city and county council meetings saw that the business community had an active and well-organized agenda. Progressives needed to reply with an agenda of their own — one that went beyond a laundry list of individual group concerns to offer a bold vision of a better local economy.

Milwaukee certainly needed a progressive vision. Once a stronghold of high-paying unionized industrial jobs, the city was experiencing some of the fastest growth rates in low-wage work in the nation. The decline had been particularly severe in Milwaukee's black and Latino communities. With a highly unionized industrial economy, the city's African-American community had once been one of the most prosperous in the nation. Today, it is one of the poorest. As industrial firms disinvested from the city, continued racial barriers blocked most blacks and Latinos from access to the few new good jobs. A University of Wisconsin study conducted in the early 1990s found that for African-Americans and Latinos employed in jobs created in the city since 1982, a full 95% earned under \$20,000 a year.

Several parallel efforts came together to launch Milwaukee's ongoing Living Wage efforts. Two recently formed organizations played key roles: Progressive Milwaukee, (the local chapter of the New Party) and Sustainable Milwaukee (a labor-community coalition described in detail in chapter nine). Connected to these, the Secretary Treasure of the metro AFL-CIO, Bruce Colburn, pro-



New Party News

vided key leadership and his Central Labor Council provided initial staffing. The director of a progressive welfare reform initiative, New Hope Project, and the local AFSCME District Council also played leadership roles.

From the beginning, organizers embarked on a multilayered effort to organize among low-wage workers. They began with successive efforts to secure Living Wage laws at all three levels of local government. Up first: the city council — the body with the most favorable political balance. To impress upon council members the seriousness of the cause, local organizers took to the streets. For example, they sent out teams of residents door knocking to ask people to sign cards in support of the Living Wage and to encourage turnout at city council hearings.

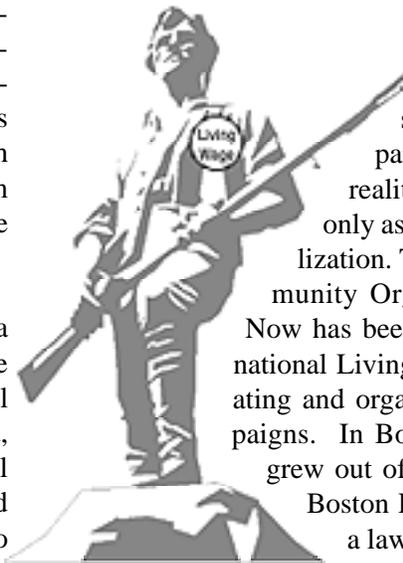
These volunteer efforts were designed to build grassroots organization. As volunteers talked to residents, for example, they also actively recruited for the campaign. Starting with a very modest initial pool of several dozen volunteers, by the time they won a city law the campaign had established a network of eighty-six precinct leaders and several hundred volunteers who had signed "activist contracts" committing themselves to regular work on electoral and issue campaigns. Such success allowed activists to spread their grassroots organizing to other parts of the city.

Grassroots organizing and a broad coalition paid off. Although the campaign had to compromise on the Living Wage amount and drop a health care requirement, it won the important basic principle in 1995 with a Living Wage for city contracts set to the federal poverty line for a family of three (\$6.05/hour at that time). A year later the campaign won a minimum of \$7.70 an hour for all workers employed by the public schools or contractors

#2 Boston - Organizing Council Support

with the schools. Roughly 3,800 workers gained from this Living Wage — many jumping up from near the minimum wage. Most recently, in 1997, the campaign secured a Living Wage of \$6.25 at the county level for janitorial, security, and parking lot attendants. This wage is indexed to increases in county wages that come through collective bargaining. Organizers plan further activism to expand existing Living Wage laws and increase the wages and benefits.

The Living Wage campaigns provided one leg of a broader effort organized, for almost ten years, around the economic coalition Sustainable Milwaukee, which we will detail in the last chapter. Reflecting the organizers' broad, long-range vision, living wage activism continued well beyond the passage of the actual laws. Activists applied grassroots pressure to private employers unconnected to local contracts to also pay living wages. In the summer of 1998, for example, volunteers began visiting local fast food franchises to pass out information to employees concerning the clear disparity between their wages and those paid in the suburbs. They have also followed the public purse strings to further require public standards of business behavior. In 2000, for example, the Milwaukee County passed labor peace ordinance that applies to human service contracts worth \$250,000 or more. In order to ensure both fair play and that public services are not disrupted by labor disputes, the new law requires companies to remain neutral during union elections (thus not unleashing the typical intimidation campaign) and to provide union organizers a list of workers and access to worksites. In return, the unions must promise not to strike or picket during the organizing campaign.



Looking at the final 11 to 1 vote in favor of the Living Wage, it would seem the Boston campaign had an easy road. In reality, this happy result came only as a result of a major mobilization. The Association of Community Organizations for Reform Now has been a central player in the national Living Wage movement, initiating and organizing many local campaigns. In Boston, ACORN's actions grew out of their efforts around the Boston Residents Jobs Policy — a law linking public money to requirements for local hiring.

In organizing to push enforcement of this largely ignored law, ACORN saw that mandating jobs without requirements for decent wages addressed only part of the problem.

In months of individual meetings with local unions and AFL-CIO leadership, ACORN members and organizers got a generally sympathetic response. However, the local labor movement was focused on the 1996 election season. A diverse group of organizers did pull together a Living Wage steering committee and drafted a bold ordinance covering both city contracts and economic development assistance. It not only required a Living Wage above the poverty line for a family of four, but also set other conditions, including the use of community hiring halls to fill jobs created with public money and created as Living Wage advisory committee with ACORN and labor representation. On Labor Day 1996 the campaign officially kicked off with a rally attended by roughly 150. The event drew some initial political and union endorsements.

However, it was a public event in February 1997 that both galvanized labor support and put the campaign into high gear. Organizers turned out several hundred Living Wage supporters for a rally in which the city's labor leaders were to formally endorse the campaign. The campaign worked hard through personal visits, calls, and letters to get a majority of councilors to endorse the general principles of a Living Wage ordinance and to secure their promises to attend the rally. A week and half before the event, however, the mayor publicly expressed apprehension about a Living Wage ordinance. Mayor Menino's

stance frightened many councilors who began to back off their initial support. When the rally ended, only one councilor, Mickey Roache, had made an appearance. Union leaders took the absence of committed elected officials as a slap in the face. After all, labor had actively campaigned for many of these people in the past and 1997 was a big local election year. Some councilors even came directly out of the labor movement.

Following the February event, both the Greater Boston Central Labor Council and the Massachusetts AFL-CIO joined ACORN in campaigning solidly for the Living Wage. Jobs With Justice, other labor organizations, religious, and community groups rounded out the coalition. For the next several months Boston organizers leaped into a multi-layered effort focused on the city council. Activists both pulled in political clout and launched serious street heat. When leaders from every key union in the city testified at hearings in support of the Living Wage, they sent a message that this had become the core issue for organized labor.

Organizers also placed their cause before the public through a series of escalating actions. Volunteers held signs during rush hours at bus and commuter stations. The campaign distributed lawn signs and held further rallies. Supporters circulated petitions at workplaces and in neighborhoods demanding passage of the Living Wage and turned in the signatures weekly at City Council meetings. Lobbying days teamed up coalition members from ACORN, labor, and the religious community who visited councilors individuals and in delegations.

The campaign developed a systematic councilor by councilor strategy that identified the kinds of particular pressures or influence that would move each elected official. The campaign reached out across political lines, even winning the support of a conservative councilor. As summer approached, the campaign had secured the support of at least nine councilors — enough to override a mayoral veto. Eventually, twelve out of thirteen signed on to support the Living Wage (during the vote one councilor was in the hospital). With council support established, the campaign's leadership entered into negotiations with the mayor. He sought to seriously compromise the ordinance through a series of modifications including a sunset clause after three years, weak enforcement provisions, and an exemption for so-called welfare-to-work programs. Because activists had mobilized solid support both in council chambers and in the streets, none

of these changes made it into the final law. The coalition did concede, however, in raising the law's threshold level from companies receiving \$50,000 or more to \$100,000 or more.

The systematic support which the campaign built on the city council allowed activists to out-maneuver the Chamber of Commerce. The campaign had talked for over a year both publicly and in negotiations about their Living Wage law -- first its broad outlines, then its details. However, organizers introduced the actual law itself only at the end of their effort. By this time the campaign had lined up the support necessary for their ordinance to go to a favorable committee that would pass it through the legislative process quickly. Thus, for most of the campaign, employers had no hard ordinance details on which to focus their attacks. When the actual wording did come before council, the Chamber of Commerce simply had no time to mount serious opposition. Their attempt to introduce destructive amendments failed because the campaign had already had ample discussions which addressed each councilor's individual concerns and questions. When the law was formally introduced, council members were already prepared to pass it.

Activists gained far more than simply a law from their successful campaign. They forged a genuine coalition of labor and community. ACORN activists can see the impact already. Where before a phone call to city hall might go unanswered, now ACORN has routine access to the Mayor and the city council. Before the Living Wage, ACORN had a mixed history with different parts of the local labor movement. Yet, ACORN emerged from the Living Wage campaign with a solid reputation among labor leaders and a wealth of new relationships. These relationships are critical to transforming the law into reality. In Boston, passing the law has proven only the first part of the battle. With a year between the date of the law's passage and the implementation of the Living Wage, the Chamber of Commerce mounted a counter-attack to weaken the law. The campaign succeeded in preserving the advisory committee that includes representatives of ACORN and labor. Most recently that committee helped to secure a series of measures to strengthen the ordinance. We will cover the Chamber counter-attack and the most recent measures more in chapter eight.



#3 Chicago — Taking on the Machine



The Chicago campaign offers a model example of how a broad-based, full scale community mobilization can shake up local politics and even prevail in the face of powerful opposition. When leaders from Chicago ACORN and Service Employees International Union Local 880 began to organize the Chicago Jobs and Living Wage Campaign, they knew they faced an uphill battle. Their city boasted the most famous of the last great political machines. Since the death of Harold Washington, the machine had regained control of the mayor's office — placing the son of long-term boss Richard Daley in the same chair as his father. Some activists assumed that in such conditions a Living Wage campaign could not win. However, a strong mobilization promised to shake up Chicago politics, restructure the terms of political debate, and plant seeds for a progressive future. As the campaign unleashed an enormous up-well of energy, many began to believe that even an outright victory was possible.

The campaign began in the summer of 1995 when ACORN pulled together a steering committee of key organizations. On the community side ACORN was joined by the Chicago Coalition for the Homeless, an organization of neighborhood groups, and key religious networks. Labor leadership came from union locals which directly represented, or sought to organize, among workers potentially impacted by a Living Wage law including SEIU, AFSCME, Teamsters, and the UFCW.

The coalition's decision to push for an ordinance covering both city contracts and financial assistance meant

the campaign was raising questions about considerable sums of money. In financial assistance alone the city was giving away a half a billion dollars a year with very few strings attached. For example, Whole Foods, an organic food store chain, had received \$10 million from the city in the name of job creation. Yet campaign researchers found that the company had both hired out of the city, paid poverty wages, and resisted unionization.

By the late fall activists began to systematically contact all 50 members of the Chicago Board of Aldermen. In December organizers exceeded their own goals when they packed a local Teamster hall with 750 Living Wage supporters. At this energized kickoff rally 13 aldermen, including several key players, publicly signed onto the campaign. For the rest of the winter and into the spring the campaign pushed hard to win further sponsors and to hold onto their existing supporters. In the end, 26 aldermen cosponsored the actual legislation at the time its was introduced, with another 10 promising to vote for the law. It seemed Chicago might actually win a Living Wage.

The biggest obstacle remained: Mayor Daley. For several months the campaign's escalating mobilization attempted to convince the Board of Aldermen to support the ordinance and the Mayor not to oppose it. Further rallies drew even larger crowds. Door-knocking took the Living Wage into the community. Coalition members tried to pull strings. The leadership of most of the areas labor unions sent a letter to the Mayor unsuccessfully requesting a meeting. Cardinal Bernardin of Chicago wrote to Daley asking him to support the Living Wage. AFL-CIO President John Sweeney sat down with the mayor. SEIU delegates at their national convention staged a street parade supporting the campaign.

In a strategic move, the Chicago Jobs and Living Wage Campaign also took up the cause of Vienna Beef — a company located in the city which employed 430 people at wages over \$8 an hour. Thanks to bureaucratic red-tape within the city administration, this Living Wage company was being compelled to leave Chicago. Highlighting the injustice that the city was funding poverty employers while driving decent employers out, the campaign succeeded in pressuring Daley to intervene on Vienna Beef's behalf while at the same time winning a corporate supporter of the ordinance. By comparing high road employers with low road firms such as Farely Candy

(\$3 million in tax abatements to fund minimum wage jobs), the campaign succeeded in highlighting the basic choices facing local governments.

The campaign, however, never won Daley's support. In May 1996, activists introduced their legislation in a city council chamber packed with 500 supporters. In June, campaign organizers planned a similar audience for ordinance hearings. They had lined up over 50 leaders of key organizations to testify on the proposed law's behalf. However, a few days before the hearings the Mayor publicly announced his opposition. Daley claimed that he supported the concept of a Living Wage, but argued that the city simply could not afford the costs. The administration and the Chicagoland Chamber of Commerce carted out a forty page study predicting all kinds of dire and erroneous budgetary consequences if a Living Wage law was enacted.

Given Chicago politics, the Mayor's opposition meant that the Living Wage would not pass. However, the campaign kept the pressure on — forcing local political figures to go on record. On a Teamster building across from the 1996 Democratic Party National Convention, the campaign unfurled huge sign trumpeting the Living Wage. Activists successfully sued to gain access to Navy Pier in order to picket the Mayor while he welcomed the Democratic delegates to the city. The campaign organized a "tours of shame" for delegates to visit low-wage paying recipients of local corporate welfare. *Streetwise*, a paper sold on the streets by the city's homeless, ran a special Living Wage issue.

To forestall a public vote, Daley entered into protracted negotiations with the campaign. With these talks going nowhere, activists decided in the summer of 1997 to push for a vote. This action would bring closure to the campaign and place the city Aldermen on the spot. The maneuvering continued. The opposition even tried to hold public hearings without the campaign's knowledge. When activists found out, they quickly mobilized and packed hearings. Because the campaign had well prepared pro-Living Wage Aldermen, these people were able to do a fine job of defending the ordinance. Most important, Living Wage supporters beat back a procedural move by the opposition that would have allowed the Aldermen to vote

down the ordinance without having to go on public record with their opposition. In the end, the campaign made very public each Aldermen's vote, setting up accountability as part of a larger organizing plan.

The final drama came on the day of the actual council vote, June 30, 1997. Building security illegally barred Living Wage supporters from the public meeting under the pretext that the chamber was already full. News photographs showing the half-empty hall revealed the lie. Meanwhile, the arrest of six prominent Living Wage supporters for attempting to enter the council chambers dramatized the scandal. Inside the chamber, however, the Mayor's will held sway — 31 Aldermen voted against the Living Wage, 17 in favor, with two abstentions.



Despite losing the vote, the Chicago campaign had gained a great deal from two years of activism. Ironically, the very strength of the opposition helped to foster a mobilization on a scale that will have lasting effects on Chicago politics. The fact that a remarkable 17 Aldermen defied their Mayor to vote in favor of the

Living Wage indicated the degree to which the campaign had upset "machine politics as usual". Most important the campaign had brought together a solid core of organizations now familiar working with each other. The over sixty organizations which formally joined the Living Wage coalition represented a combined membership of over 250,000 people. The Living Wage had become a hugely popular public issue which was to prove itself in the months to come.

Early on activists began to see concrete demonstrations of the campaign's impact. When groups involved in the Living Wage effort pushed for a progressive charter school in a low income neighborhood, they did not get a fight from an opposition possibly worn down by the Living Wage activism. When New Party-backed activist Willie Delgado first ran for State Legislature in 1996 Democratic Primary, he received few union endorsements to challenge his AFL-CIO-backed opponent. In 1998, he ran and won with the solid labor support of unions that, along with the New Party, had fought side by side in the Chicago Jobs and Living Wage campaign.

Living Wage Politics Deliver Ordinance & New Alderman

For members of the coalition who saw the Living Wage campaign as part of a broader project to reshape Chicago politics, their efforts after the initial vote simply moved onto a new stage. As the 1999 election season approached, Living Wage campaign organizers stuck to their political promise made on the night the ordinance was voted down: “Payback Time in ’99!” — and began to build an electoral threat to anti-Living Wage aldermen. During the summer of 1998, in a ward-by-ward strategy, New Party organizers began moving petitions for pro-Living Wage ballot “resolutions” which gained immediate support in the neighborhoods and threatened to again call the living wage question (at least rhetorically) in the ’99 aldermanic elections.

Council incumbents, concerned about their races and fearing the anti-Living Wage label would cost them their Council seats, began to pressure the mayor to provide them a political “out”. Around the same time, the mayor and Aldermen prepared to enact a hefty salary increase for themselves which required Council approval. ACORN, SEIU Local 880, and the New Party quickly seized the political opportunity and hit the streets outside two consecutive Council meetings at City Hall, pressing their point: No raises for City officials unless low wage workers got their Living Wage. Almost immediately, City officials called Living Wage campaign headquarters and agreed to a deal. On July — after nearly three years of intense organizing — the Chicago City Council unanimously passed a Living Wage ordinance.

While the law is not as strong as the original Living Wage proposal, it is a start. Members of the Campaign are now integrally involved in the City’s Living Wage Implementation Task Force to insure effective implementation and push for eventual expansion of the ordinance. Recently, the City has given word that hundreds of home health care workers on City contracts will see their pay increase from around \$5.30 an hour to the \$7.60 Living Wage, including back pay to January 1999.

Following on the heels of the Chicago law, Living Wage supporters were also surprised to learn of Living Wage hearings in Cook County. Nearly two years earlier, member of the Living Wage coalition had approached County Commissioners with a Living Wage proposal similar to Chicago. Campaign leaders were able to quickly mobilize to provide testimony and turnout at the

hearings and to press for strengthening amendments. The ordinance passed immediately in September. Clearly, the Living Wage has become a high profile issue in Chicago area politics. The state AFL-CIO introduced a state living wage bill in the Illinois legislature later that year.

Having built sufficient pressure to force a win on Living Wage legislation, ACORN, SEIU Local 880, the New Party strategized to capitalize on their momentum, collaborating in a massive grassroots electoral campaign and pulling off another stunning victory. On April 13th, 1999 Ted Thomas — Illinois ACORN president and Chicago New Party chair — was elected alderman from Chicago’s 15th ward. Having never before held public office, Thomas, a retired postal worker, won endorsements from *The Chicago Tribune*, *The Chicago Sun Times*, and the *Chicago Defender* on his way to victory — solely on his record as a community activist and a leader of the Chicago Jobs and Living Wage Campaign. This amazing triumph over Mayor Daley’s “machine” candidate (and a field of 12 candidates in the primary), demonstrated the popular political strength of the Living Wage message, the potential of these campaigns to develop grassroots leaders, and the ability of a progressive coalition to build on their Living Wage work and mount an effective grassroots electoral campaign. In addition, several sponsors and stalwart Living Wage supporters were handily reelected to the City Council while touting their pro-Living Wage stance.

In 2002, the campaign successfully increased the living wage amount from \$7.60 to \$9.05 an hour and indexed it to inflation. As part of the effort, living wage supporters released several reports documenting the positive effects of the law and the need for its expansion. The mayor and council also again wanted to raise their salaries.



#4 St. Paul -- Losing a Battle. Winning the War



Most campaigns described in this guide developed a legislative strategy aimed at pressuring local elected officials to enact Living Wage laws. However, depending upon the state and local laws, citizens may have the opportunity to directly vote for a Living Wage through a ballot initiative. Until 1998, St. Paul's initial campaign had been the only Living Wage effort to attempt a ballot initiative that has gone to an actual vote.

Faced with a well-financed business anti-Living Wage PR effort, the St. Paul ballot initiative went down to defeat in November of 1995. This failure, plus similar defeats of several local minimum wage ballot initiatives, suggest that Living Wage organizing is no match for the business community's electoral war chest and propaganda scare tactics.

However, a deeper look into the St. Paul campaign, as well as several of the minimum wage fights, reveals correctable weaknesses. These campaigns were all early pioneering efforts. When ACORN, New Party, and other activists began to pull together their initial campaign in 1994/95, Living Wage organizing was almost entirely new. The precedent of broad-based, labor-community organizing had not been firmly established. Similarly, the employers' level of opposition had not been well demonstrated. Nor had enough experiences with actual enacted Living Wage laws been accumulated to demonstrate the lie of the oppositions' arguments.

Thus, St. Paul Living Wage organizers were unable to develop the scale of coalition-building and mobilization that is now commonplace among effective campaigns. St. Paul's Mayor not only opposed the Living Wage, he successfully split the ranks of organized labor

by drawing several unions into to the opposition through dire and bogus threats of dramatic job loss.

Even with a relatively weak campaign and having been outspent 5 to 1, the Living Wage initiative still won 41% of the vote — demonstrating that the issue had resonance with city residents. Licking their wounds, Living Wage organizers continued the fight.

By revamping and broadening their coalition, activists were able to organize a legislative campaign that, after eighteen months, proved successful. The campaign had given life to a public debate over economic development and Living Wages that encouraged the city to convene a Task Force to examine the subject and recommend concrete policy. It included members of ACORN, New Party, and labor representatives as well as the chamber of commerce and city administration. After a year of tough negotiations, the Task Force approved Living Wage recommendations that covered financial assistance and included local hiring requirements. With an election season approaching, a local labor movement now solidly behind the campaign made clear that their political endorsements required support for the Living Wage.

First, St. Paul, and then two months later in early 1997, Minneapolis passed Living Wage resolutions. The new measures applied to economic development subsidies. This coverage followed in the wake of a similar Duluth living wage law and an ongoing state campaign around corporate welfare. Local economic development authorities tried to get around the living wage measures by redefining their business subsidies using categories not specified by the resolutions. The coalition and its champions on the city councils have had to organize to close such loopholes and strengthen the law. As we will see in chapter ten, the activism in the twin cities around economic justice has combined with organizing elsewhere in the state to produce a strong statewide progressive movement.

We also have concrete proof that a Living Wage ballot initiative can win. On November 3, 1998 Detroit voters became the first in the nation to pass a Living Wage via the ballot box by an incredible 81% of the vote. Since then Living Wage ballot initiatives have won in St. Louis, Corvallis (OR), and the Port of Oakland (with 78%). Massively outspent, a ballot campaign lost in Missoula (MT). However, pro-living wage candidates to the city council all won election or reelection and subsequently they helped pass a law. A coalition in Eastpointe (MI) defeated a ballot effort to repeal their new living wage law.

#5 Los Angeles -- For Living Wages and Unions



The Los Angeles campaign emerged out of efforts by the local labor movement, in conjunction with community and religious groups, to organize non-union workers. These origins gave the LA campaign a distinct bent.

The spark behind the Living Wage effort was a battle to defend the jobs of 1,000 unionized workers at the city's main airport. Three hundred of these jobs were lost when

the city brought in non-union contractors, such as McDonalds. The remaining 700 jobs promised to share the same fate. A small core from the hotel workers and service employees unions joined with several community groups to map out a response. Their strategy involved passing three pieces of legislation connecting public funds to community standards. The first required companies receiving city contracts to retain the existing work force. Activists won this worker retention legislation in the fall of 1995. The second was the Living Wage law. The third aims to establish legal protections for workers' right to organize.

The eighteen-month battle to win LA's Living Wage ordinance paralleled the efforts we have outlined above. As with most campaigns, Living Wage organizing produced a broad alliance of labor and community groups. Indeed, the campaign's coalition grew to over one hundred endorsing organizations. Activists systematically targeted each city council member with activities and inside pressure designed to move that particular individual. As with many other cities, Los Angeles' Mayor opposed the Living Wage, compelling the campaign to build a veto-proof super majority on the city council. Activists organized a phone-in campaign to the council. Organizations faxed letters of support. Over a thousand "New Years" cards flooded in from city residents. For three months delegations visited council twice a day, three days a week. Some actions become quite dramatic. For Thanksgiving, the campaign asked groups and individu-

als to mail council members over 1,000 decorated plates which symbolized the struggle to feed a family on poverty wages. For the winter holidays, one hundred clergy and others accompanied a volunteer actor playing the part of the ghost of Jacob Marley who went to city hall draped with chains to decry the Mayor's Scrooge-like opposition to the Living Wage. Volunteers went caroling at city hall and nearby restaurants with lyrics modified for the Living Wage campaign.

While most Living Wage campaigns have been solidly linked to the labor movement, Los Angeles labor activists self-consciously structured their effort to produce opportunities for union organizing. Their approach has been taken up in other campaigns, such as the successful effort in Oakland. LA activists developed their organizing links at several levels.

The Living Wage law contains a provision allowing a union contract to supersede the law's requirements. This gives some unions potential leverage with employers. In the hotel industry, for example, many workers receive a significant portion of their income from tips that do not count as wages for determining a Living Wage. The hotel workers union has tried to pressure owners to agree to neutrality over unionization in return for a union contract which provides more flexibility than the blanket Living Wage provisions.

Organizers deliberately recruited among workers affected by the ordinance to provide them their own role in the campaign. At the airport, for example, workers organized a media event in which they took reporters and city hall staff on a tour to highlight the conditions under which they had to work. Low-wage workers also provided powerful human stories. Bobbi Murray, the campaign's media director, writes that "Workers came to City Hall and testified about injuries that went untreated because there was no time off permitted for a doctor visit, and no insurance or way to pay for it anyway; families crowded into tiny one-bedroom apartments in dangerous areas of town just to make rent and visits to food pantries to manage the groceries every month."

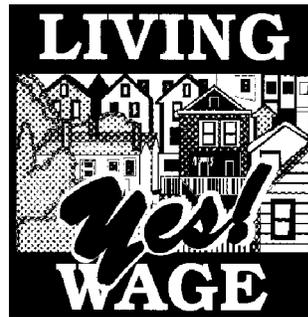
The participation of affected workers not only strengthened the campaign for the Living Wage law, but also developed an activist nucleus among low-wage workers which could feed into union activity. As detailed in chapters eight and nine, since the law's passage the campaign has developed further avenues for organizing among affected workers.

The Living Wage campaign also organized a powerful new formal ally for labor when it pulled together congregations in Clergy and Laity United For Economic Justice (CLUE). During the campaign CLUE promoted Living Wage discussions among congregations, religious delegations to the city council, and the use of existing pastoral relations with the city to push the Living Wage ordinance. Religious involvement highlighted the moral and theological reasons for a Living Wage. Since the passage of the law, CLUE has continued to support Living Wage efforts as well as mobilizing religious participation in union organizing and other worker justice issues.

The Living Wage coalition's work paid off big. In March 1997, the Los Angeles City Council unanimously passed a Living Wage law. A month later they then overrode Mayor Richard Riordan's veto.

Living wage activism helped build the Los Angeles Alliance for a New Economy (LAANE) into a model labor-community non-profit centered around economic justice organizing. LAANE has used organizing to implement the law, further legislation, and living wage campaigns in other communities to link union organizing to genuine community development. LAANE's example has been followed in several other California communities and has drawn attention nationwide. We will explore LAANE and its spin-offs more in chapters eight and nine.

#6 Pittsburgh -- Long-range Movement Building



The Western Pennsylvania Living Wage Campaign is an example of self-conscious strategy to maximize the movement-building benefits of Living Wage organizing. This focus is reflected in their time-line and geographical breadth — two years just for preparation and a multi-county area. This long-term plan is also clear from the coalition's statement of purpose: passing local Living Wage laws is only one of four goals cited by the leadership (see below).

Ironically, the initial signs of Living Wage campaigning in Pittsburgh promised to follow the quick passage seen in Oakland, rather than the slow, long-term plan that has now developed. Indeed, a sympathetic city councilor tried to introduce an ordinance before a campaign had fully developed. However, the strength of the opposition and activists' desire to not allow weak legislation to pass, led to the proposal's withdrawal.

The Pittsburgh progressive community already had significant coalition experience. The seven year old Alliance for Progressive Action, for example, had led two successful community campaigns: one to defend the local public television station from commercialization, and the other to pass a ballot initiative establishing an independent police review board. The later win came by a 14 point margin despite the opposition of both the mayor and a majority on the city council.

This previous experience helped activists pull together an initial coalition of close to three dozen organizations — including labor, religious, and community groups. Activists developed a four point program which looks toward long-term movement organizing around economic issues. Passing Living Wage laws in Pittsburgh, Allegheny County, and counties across western Pennsylvania provides the first objective. The other three are:

- * to build an inclusive, broad-based movement of working people and the unemployed through their unions, religious institutions, and other community based organizations.

Oakland Tribune

WEDNESDAY

March 25, 1998

**City sets
its living
wage at
\$9.25 hr.**

Oakland followed Los Angeles' lead by passing a strong Living Wage law in 1998.

* to support the rights of workers trying to organize; to work to preserve existing living wage jobs by fighting privatization and contracting out; and to sustain prevailing wage standards and other such struggles.

* to provide broad public education that explains economic change and regional economic development from the perspective of working people and their communities.

Concretely, these broader objectives have produced several projects related to, but separate from the actual tasks of passing a Living Wage law. For example, with the county government changing to Republican control for the first time in 40 years, activists organized a campaign to block the privatization of four nursing homes. The coalition also helped organize support for nursing home workers on strike at a company where 60% of the workers made the minimum wage. The health and human service sector presents important Living Wage issues. The county governments are a major funder of day care, mental health, and other human service providers. These sectors often pay notoriously low wages. The Living Wage coalition has worked with other groups to update a 1989 statewide survey of conditions in these industries highlighting the problem of poverty wages.

Similarly, the campaign has organized support for Steelworkers who faced the loss of 500 jobs at a local coke processing plant and 350 Nabisco workers who faced a plant closing in violation of their collective bargaining agreement. As in Los Angeles, these efforts around worker justice have helped establish a religious task force on economic issues. The campaign has also already begun to petition for signatures supporting the key elements of city and county Living Wage ordinances.

Long-range movement building is also the impetus behind the campaign's development of a popular economics workshop. Organizers train volunteers in the basic curriculum. These people then hold gatherings among their fellow union members, church parishioners, neighbors, students, etc. to discuss the economic realities facing working people and what to do about it. During the first five months of the program's development, the campaign trained over 100 volunteers and has now reached 3,000 people. Such a popular education program goes well beyond the minimal needs of Living Wage campaigning. It seeks to develop grassroots leadership and raise the level of debate among working people.

A movement-building strategy requires a long-term, serious commitment of resources. Thus far, activists have secured concrete commitments from coalition partners, especially labor, to provide ongoing financial and in kind support. Most important, these resources mean that the campaign can support a staff of part-time and a 30-hour worker.

With two years of building, in 2000 the campaign was ready to move on legislation. In September, four county councilors cosponsored a living wage ordinance applying to full-time county employees and contracting businesses and non-profit employers. When they ran for office these four representatives had officially endorsed the living wage. Because of a reorganization of county government, voters had elected a new county council in 1999. In a very public effort, activists had asked every candidate to sign onto the living wage. The campaign had built such a strong base of support that following the introduction of the ordinance, Republican county executive Jim Rodney dropped his claims that the measure would force the county to layoff 30 employees.

Late in 2000, Pittsburgh activists become the third campaign in the country to win increased funding for those non-profits needing help to pay a living wage. On October 25th, 2000 the new county council included \$1 million in its first budget dedicated to helping human service non-profit agencies pay a living wage. The county executive also stated publicly that raising full-time county employee's wages to a living wage of \$9.12 an hour would "not affect the county budget."

In May 2001, the city of Pittsburgh passed a living wage law covering contracts, subsidies, and city employees. Unfortunately, in December Allegheny County voted down a living wage law. The defeat showed demonstrated the difficulties in covering the human service sector which is under funded by public resources (see chapter seven on non-profits). In reaction, Pittsburgh in effect suspended implementation of their law until the county ordinance passes. The struggle continues.

#7 St. Louis Ballot Victory



Frustrated after a two year futile struggle to pass living wage ordinance at the Board of Aldermen, St. Louis ACORN and its labor and community allies took the living wage issue to the ballot box in August 2000 and let the people speak. And speak they did: with a resounding 77%-23% victory, St. Louis became the 50th city in the nation to declare living wage the law of the land. The ordinance requires city service contractors and recipients of economic development assistance to pay employees at least \$8.84 with health benefits or \$10.23 if full health benefits are not provided.

After gathering 21,000 signatures in two weeks to qualify for the ballot, ACORN hit the streets, focusing on low income neighborhoods where support was strong. In the weeks leading up to the vote, ACORN and its coalition allies scheduled nightly phone-banking, afternoon door-knocking, staged visibility actions at major traffic intersections and door-knocking blitzes in low-income

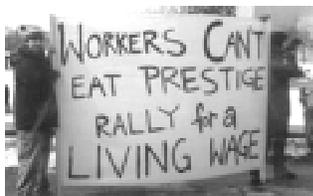
neighborhoods every Saturday. The campaign put up 2000 LIVING WAGE YES yard signs, turning working class neighborhoods into a sea of red.

During the final days, members, organizers and allies talked to reporters, did radio and television interviews, tracked down workers who would be covered by the law, organized a Living Wage Sunday service with local pastors, wrote letters to the editor, and staged a neighborhood caravan of decorated cars, trucks, bullhorns and loudspeakers with fired up ACORN members reminding voters to get out and pass living wage. In fact, as the day of the vote neared, public sentiment seemed so pro-living wage that Aldermen who had voted against the living wage were requesting living wage literature to hand out at the polls. On election day, over 100 poll workers handed out living wage flyers at the polls and sealed the victory. Final numbers revealed that the living wage initiative had won in every single ward in the city -- with 77 percent of the overall vote.

Unfortunately, a coalition of business groups filed a lawsuit claiming that a state law which bans local minimum wage statutes also applies to living wage laws. While the judge struck down the living wage due to technical problems within the ordinances, he also made clear that the city does have legal authority to enact a living wage law. In July 2002, the campaign won legislative passage (24-2) of a revised living wage law which includes the city airport. (See chapter seven for details.)

Living Wage On Campus!

From: Harvard Campaign



Colleges and Universities should pay their own staff and those working for contracted firms a living wage. Yet, often quite wealthy institutions drive down the wage standards of their communities by paying a wide range of employees -- from maintenance and food workers to teaching assistants and adjunct faculty to technical support staff -- poverty wages. Over 100 campus campaigns have developed at such institutions as Stanford, Brown, University of Texas, Cornell, Johns Hopkins, Harvard, Swarthmore, Agnes Scott College, and the University of Virginia.

United For a Fair Economy has developed a 39-page campus living wage guide available on-line at www.ufetnet.org. For bound copies contact UFE, 37 Temple Place 2nd Floor, Boston, MA, 02111, 617-423-2148. For an excellent documentary on the Harvard living wage sit-in contact EnMasse Films at www.enmassefilms.org.

ACORN's Campus Living Wage Site
www.campuslivingwage.org

Chapter Three

Getting Started — Strategic Planning

Early in a campaign, once activists have brought together core groups, the coalition needs to develop a deliberate process of strategic planning. The concept is simple enough. People must discuss and define in a systematic way the goals of the campaign, its potential allies and opponents, the resources needed, and the kinds of activities necessary to achieve the goals. The appendix contains a nuts and bolts model for strategic planning taken from the Midwest Academy's activist's guidebook *Organizing for Social Change*.

While the concept of planning appears straightforward, actual practice can prove more difficult. In launching a Living Wage campaign, the necessary tasks of building a broad coalition, drafting an ordinance and campaigning for its adoption can easily displace a broader planning process.

The Detroit campaign, for example, contrasts the hazards of a planning process cut short with the brilliance of seizing the strategic moment. Political considerations conspired to preempt the planning process during the first stages of the campaign. As activists brought together by the Metropolitan Detroit AFL-CIO considered a Living Wage effort in the winter of 1998, the possibility of a third term for the state's Republican Governor and the ongoing threat of Republican control of both houses of the state legislature placed the potential electoral impact of Living Wage organizing at the forefront. Indeed, the campaign decided to place its ordinance on the ballot precisely to raise voter turnout in Detroit during the upcoming November elections.

However, the legal time requirements for placing an initiative on the ballot forced the campaign to jump into ordinance drafting almost immediately and petition signature collecting by mid-April, two months after a formal planning process had begun.

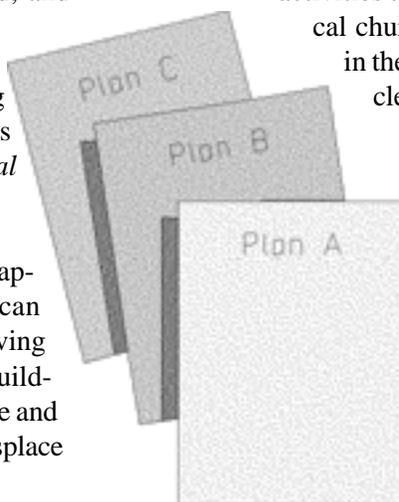
By accelerating their time table, labor activists succeeded in getting their initiative placed on the November ballot. However, well into their campaign they had to make up for a planning process cut short. For

example, while over 90 organizations officially supported the campaign, activists had little opportunity to deepen this commitment. Instead, organizers had to scramble to find resources for basic activities, such as petition signature collection, in the process of trying to organize the activities themselves. Thus, efforts to mobilize local churches and community groups came late in the campaign. While this element met with clear enthusiasm during the election phase, especially a Living Wage Sunday among area churches, the full potential for such labor-community-religious cooperation was to emerge during the implementation and enforcement of the Living Wage.

Yet, the planning sacrifices proved worth the costs. On November 3, 1998 the Living Wage ballot won by an overwhelming 81% of the popular vote. By overlapping with

union-led get-out-the-vote efforts, the Living Wage campaign tapped into a ready-made grassroots effort. At the same time, the Detroit Chamber of Commerce was completely out-manuevered. It discovered the Living Wage only a few weeks before the election, when it was too late to effectively oppose what was proving a popular cause. The particularly shrill anti-Living Wage backlash, which came after the elections, testifies to the Chamber's frustrations at the decisive popular vote.

The lessons are simple. Time invested in effective planning at the beginning of a campaign pays off in the long run. Strategic planning, however, also involves knowing when to seize opportunities. The Midwest Academy's planning process detailed in their organizer manual (cited in the appendix under written material) offers a good model for long-term strategizing. Rather than repeat this information, this chapter will focus on three dimensions particularly key to Living Wage efforts: setting the overall purpose of the campaign, deciding how to get your ordinance enacted into law, and determining your minimal resource needs.



Question #1

Passing a law versus building a movement

A Living Wage campaign's objectives may seem straightforward: enact laws linking public money to corporate accountability. However, for many efforts this common sense answer is in reality only part of a much broader list of aims. Living Wage efforts tap the potential for a broad-based movement toward economic democracy both locally and nationally. An effective campaign can enhance union organizing, help build grassroots organizations, and establish an ongoing coalition focused on economic justice and sustainable development.

How far activists want to travel down the movement-building road will shape most aspects of their campaign. Below we have organized the possible levels of movement-building into several categories. These campaigns represent "ideal types" that build upon each other. An actual campaign will likely mix different elements.

Minimal Coalition Campaign

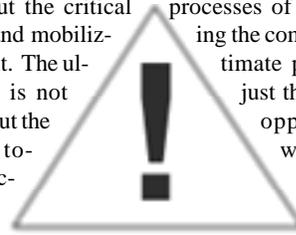
The minimal coalition campaign contains the core basics and enough of a mobilization that the Living Wage becomes a coalition effort. It is ill-suited to overcome determined and effective business opposition. It also will leave behind the least long-range impact. Securing the law's implementation and ensuring enforcement is a long-range project that requires significant grassroots activity and a solid coalition. Minimalist campaigns tend to draw on the existing strength of the progressive community rather than building this capacity.

Mobilizing Campaign

Mobilizing campaigns ensure that local political leaders will see the community as organized behind the Living Wage. Mobilizing does require greater time and resources. For example, while an organization's endorsement may come through a single meeting or conversation, getting that group to spur its membership into action is another matter. Campaign organizers may have to make repeated contacts with key leaders in order to foster a perspective that sees Living Wage organizing as a core part of the group's activities. Similarly, campaign organizers may have to help other endorsing organization mobilize their members by, for example, sending speakers, producing materials, providing research, or working with key leadership.

Avoid the Quick Fix!

In some cities one or several progressive-leaning city councilors have simply drafted a Living Wage law and moved to introduce it. While such a short and sweet approach may get a law on the books, it cuts out the critical processes of forming a Living Wage coalition and mobilizing the community around issues it cares about. The ultimate potential a Living Wage campaign is not just the changes in government policy, but the opportunity to take concrete steps toward building an economic democracy movement. Furthermore, as we will see in chapter eight, the law will only become a reality if an active coalition organizes to have it enforced.



Minimal Campaign:

assumes: a friendly city council, little determined opposition, and little constituency-based organizing

goal: simply get ordinance passed through coalition work

activities include:

- * barebones research of contract and financial assistance
- * develop Living Wage ordinance
- * develop coalition of endorsing organizations
- * enter into negotiations with city council
- * develop testimony and replies to opposition
- * turn out people for hearings and vote

enforcement: largely left to local government

Mobilizing Campaign:

assumes: need to expand or firm up council support and/or counter opposition

goal: bring the community actively into the campaign

activities may include:

- * activate endorsing organizations by drawing their membership into campaign
- * develop speakers bureau
- * targeted street work — collect petition signatures, turn out people to hearings, identify volunteers
- * special PR events — picket low wage employers, defend high-wage employers, "guerrilla theater".
- * deeper research that identifies target employers

enforcement: coalition may publicly target low-wage employers during and after campaign.

Capacity-Building

The Western Pennsylvania campaign illustrates a deliberate capacity-building effort. The actual passage of a Living Wage law becomes one step in long-range effort to lay the foundation for a broad social movement around economic democracy. The Living Wage provides a framework for developing the kinds of education work and organization-building activities that build movement capacity. As it develops, the campaign may take on related issues that tie into the general concepts behind a Living Wage and economic democracy. Capacity-building can require significant time and a long-term commitment of resources. However, many people are looking for the promise a broad progressive movement. “One of our main angles of recruitment,” explains Alexandria Living Wage campaign coordinator Gyula Nagy, “is that we are laying the ground work for formal cooperation among labor, religious, and community groups to organize more broadly around workers' issues.”

Union Organizing

One of the most promising uses of Living Wage campaigns is to foster union organizing among low wage workers. As detailed in chapter five, the U.S. labor movement is currently undergoing a slow but clear shift toward prioritizing organizing. Chapter nine details how the Baltimore and Los Angeles campaigns have developed distinct models for Living Wage union-related organizing.

Two researchers, Janice Fine and Arnie Graf, explained the potential quite well in a paper presented at the 1998 Metro-Unionism Conference in Seattle.

Living Wage ordinances are a way into organizing among low-wage service workers. They present a concrete opportunity to go out and get into relationship with, and organize, a segment of low-wage workers. A lot of these workers will not know a campaign is going on, and that they should be making the higher wage, unless we go out and tell them and help them fight for it with their individual employer. We can use the campaigns to go out and talk to contract workers at their places of work, worship, and neighborhoods and organize mini-actions on contractors as well as the public entities that contract with them.

A union-organizing focus will influence the provisions placed in an ordinance, how activists conduct campaign research and outreach, and can drive their efforts around implementation and enforcement. Most importantly, campaigns that seek to foster union organizing will place a priority on involving affected work-

Capacity Building Campaign

assumes: longer term commitment; staff

goal: plant seeds for a broad-based movement of low-income and working people

activities may include:

- * economic education project
- * structure activities to increase membership in participating organizations and maintain a collective volunteer pool/data base.
- * Living Wage concept spills into further campaigns around the theme of economic justice and democracy.

enforcement: monitoring becomes an ongoing task.

Coalition may participate in training program for effected workers. Enforcement tasks feed into further coalition campaigns.

Union Organizing Campaign

assumes: a lead by labor unions, some of who have specific organizing targets

goal: use the Living Wage to enhance local union organizing activity

activities may include:

- * identify potential organizing targets and interested unions
- * reach out to affected low-wage workers — develop their leadership and organization
- * put union-friendly provisions in ordinance
- * target anti-union companies to highlight campaign

enforcement: campaign works with local unions to use the Living Wage as leverage to gain neutrality from employers and to identify worker organizers. The Living Wage ordinance is most likely one step in a larger plan around workers' right to organize.

ers in the campaign — a task which is not easy, but which can pay off by developing pro-union workplace activists.

Not all participating unions must see the connection between union organizing and the Living Wage in order for a campaign to develop this link. Indeed, both in Los Angeles and Milwaukee, some unions developed the link only after an ordinance had been adopted and the campaign began funneling organizing leads. Ideally, however, campaigns should try to use the organizing link to deepen the Living Wage commitment of those unions focused, or seeking to focus, on union organizing.

Community Organizing

The deliberate tie-in to organization-building need not be restricted to union organizing. In Boston, for example, ACORN won Living Wage provisions which mandate that companies use community hiring halls first when seeking new employees. Using this opportunity, the Boston ACORN organization has achieved certification as a community-based hiring hall. Thus, ACORN can use the hiring hall mechanism to build relationships with individual employers — or target them with demands for jobs, training, and other worker benefits that go beyond the scope of the ordinance. The hall also provides an opportunity to organize new members that can be developed as leaders for future ACORN neighborhood and city-wide campaigns. In addition, ACORN and labor won inclusion of a Living Wage Advisory Committee (LWAC) in the ordinance with guaranteed representation from both ACORN and labor. This has helped insure access to useful organizing and campaign tools such as lists of covered employers and workers, notices of worker complaints and investigations of noncompliance, the ability to call public hearings, etc. The LWAC was critical to the fall 2001 effort to successfully expand the living wage law.

How a campaign defines its goals will shape its activities. For example, the level of movement-building will help determine the campaign's timeline. Minimalist campaigns can go from ordinance drafting to enactment in six months or less. By contrast, many other campaigns will spend as long as a year or more simply conducting coalition building or public education. Generally, campaigns can easily spend six months to almost a year in preparation before they go public with their ordinance and enter into the formal legislative processes.

Campaign organizers should be aware that not all members of the coalition will share the same vision of the campaign's goals. Some groups may clearly commit to long-range capacity building while others simply focus on the minimal lobbying effort to pass the legislation. Campaigns can accommodate different levels of commitment. However, the core groups of activists should be clear on their commitment to the campaign's overall profile.

Community Organizing Campaign

goal: use the Living Wage to build community organization, membership, and leadership.

activities may include:

- * Living Wage provisions for community hiring
- * emphasis on involving residents throughout the campaign
- * build community hiring halls of low and moderate income residents
- * target individual companies for jobs and/or training programs for neighborhood residents.
- * door to door signature gathering and direct action

enforcement: the Living Wage ordinance and ongoing campaign activity becomes an opportunity for community organizers to target covered companies for hiring, hold public officials accountable, organize public hearings, run pro-living wage community candidates for office, etc.



Question #2

The Ballot



or the



Legislative Pen?

Most campaigns have pursued a legislative path of lobbying their local elected officials. However, a few efforts (St. Louis, Missoula, Covallis OR, Detroit, and St. Paul), including all those which have attempted to raise the local minimum wage, have taken their cause directly to the voters through ballot initiatives. Since the options for initiatives are set by local and state laws, the decision may already have been made for you if your local area either does not have a mechanism for initiatives or if the laws only allow non-binding referendums. Note that it is possible for a city to be governed by one set of rules which allows ballot initiatives, while the rules for neighboring townships, for example, may not allow them. Both legislative and ballot routes have advantages and disadvantages.

The Legislative Campaign

Going through local elected officials has proven the generally easier path, especially if you have at least some dedicated legislators willing to champion your cause. Focusing on a body of elected officials can lessen the scale and impact of a business-driven anti-living wage advertising blitz. At the same time, a broad coalition can often bring diverse and effective pressures to bear on the city council. Such efforts can establish lasting ward or district networks and political targeting work for holding elected officials accountable and running local residents for office. Legislative campaigns require relatively fewer resources than a ballot initiative. Turning out impressive crowds for city council hearings is a relatively modest task compared to signature gathering to qualify and then getting out the vote for a ballot win.

Pursuing a legislative strategy offers valuable experience for progressive groups in getting to know the local legislative process. A successful coalition can also benefit enormously by having established a reputation for effectively moving a piece of legislation. The legislative route, however, will subject your ordinance to the push and pull of negotiations. This usually means compromises. In Milwaukee, for example, negotiations with the city lowered the definition of the Living Wage from the federal poverty line for a family of four to a family of

three. The Los Angeles campaign originally sought to add two dollars an hour more to the required wage if no health care was provided. They ended up, however, with \$1.25. Beyond wage compromises, ordinances have been weakened in their scope of coverage, exemption provisions, and enforcement mechanisms.

A legislative effort will likely still face strong opposition from both elected officials and business interests. Many campaigns have not only had to build a coalition of pro-living wage legislators, but also hold them together against the opposition of their mayor. This is what happened in Los Angeles and Boston, for example. In Chicago, Mayor Daley's opposition killed the original Living Wage ordinance, yet the strength of the campaign forced change in the long run. In Durham, a Republican mayor was elected before the Living Wage was passed, yet the campaign's solid momentum helped convince her not to actively oppose the ordinance. We will cover more on such opposition in chapter seven.

Putting Living Wage on the Ballot

Living Wage advocates have used the ballot in both campaigns for Living Wage ordinances and for state and local increases in the minimum wage. The original St. Paul effort, and the Detroit, Corvallis, St. Louis, Kalamazoo, Port of Oakland and Missoula Living Wage campaigns put their Living Wage laws before voters. Local campaigns to raise the minimum wage went to a vote in Houston, Denver, Tucson and New Orleans. Citywide minimum wage campaigns in Washington D.C and Albuquerque were met by legal challenges.

A ballot initiative offers the advantage that activists can place their law before the public without direct modifications from legislative negotiations. Win or lose, the large-scale grassroots organizing can have lasting effects in the community. The necessary strategies — petitioning, door knocking, house meetings, phone banks — all provide opportunities to mobilize the electorate and build grassroots membership and coalition bonds.

The Detroit campaign chose the ballot route to tie its campaign to the November 1998 elections. By merging its efforts with the get-out-the-vote campaigns of local unions, the campaign did not have to develop a grassroots mobilization from scratch. Indeed, with other groups handling the get-out-the-vote work, the campaign staff focused their energies on organizing a Living Wage Sunday among area churches.

An outright ballot win can send a powerful message. Throughout Michigan, for example, local Living Wage organizers can use Detroit's massive 81% pro-Living Wage vote to bolster their legislative campaigns. Elected officials who reject a Living Wage risk facing the voters enacting it for them. We should note the demographic factors which favored a Detroit win. The largely white regional chamber of commerce was at a distinct disadvantage in trying to tell an over seventy percent African-American city population not to vote for a living wage. In St. Louis, the living wage won on the ballot by an equally impressive 77% to 23%.

On the other hand, initiative campaigns present a more ambitious undertaking. The local requirements simply to get the measure on the ballot can vary enormously. In Detroit, the campaign had to obtain 5,000 signatures in two months, although activists aimed for 10,000 to secure enough of a buffer to overcome technical challenges. By contrast, in Houston ACORN and their allies collected 47,000 in 30 days. Local laws can restrict who can collect signatures and micro-manage how they are signed. The Houston campaign, for example, had to spend hours of volunteer time looking up voter identification numbers because the law declared signatures without this number invalid. In Denver, ACORN had to have each petition individually notarized.

In some parts of the country, legal challenges to an opponent's petition signatures represents a time-honored political tradition. For example, the local authorities threw out over half of Detroit's 9,740 signatures. Reasons given included dates of notary validation, missing information, petition gatherers who were not registered voters, etc. In the end, Detroit activists were allowed two additional weeks to collect 140 more valid signatures so that the Living Wage could cross the threshold. The entire affair validated the campaign's original aim to collect at least twice the legally required number — a good rule of thumb for petitioners everywhere.

In Albuquerque, the city clerk threw out the minimum wage ballot initiative signatures of newly registered vot-

ers. In New Orleans the city council simply failed to act on a proposed minimum wage initiative spearheaded by ACORN and SEIU local 100 which twice collected over 25,000 qualifying signatures. Legally the council had to either pass it as a law or place it on the ballot. Activists also had contend with a state law banning local minimum wage ordinances. With the campaign successfully questioning the constitutionality of this state law, the courts ordered the initiative placed on the ballot.

Most important, while any Living Wage effort will draw business opposition, ballot initiatives have faced full-blown mass advertising campaigns fueled by outright scare tactics from local business. Indeed, anti-Living Wage employers can form well-funded political action committees to defeat your efforts. In Houston, for example, employers spent \$1.3 million to defeat the local minimum wage initiative. In the week before the vote, anti-minimum wage ads could run every half hour on the television and every hour on radio. Similarly, over \$125,000 bought St. Paul's business opposition several city-wide mailings and a continuous stream of radio ads denouncing the "Job Killer Initiative". In Missoula, a massive propaganda campaign by developers and the city's newspapers led to a living wage ballot defeat by a mere 400 votes. Yet, with all of the lower income and working class wards voting for the ordinance and a strong New Party voice on the city council, a legislative win came right around the corner in March 2001. The campaign may also come under attack from elected officials who are often beholden to business. St. Paul's mayor dispatched his key assistant to work full-time leading the charge to defeat the initiative. If the ordinance is approved by voters, the city council will likely be charged with adopting provisions for its implementation — another potential challenge. In the end, two years after the Detroit win, activists had to build a lobbying campaign to convince the city council not to pass "reforms" weakening the law. They continue to push for enforcement by organizing workers to file complaints and mounting a law suit against non-compliant companies.

The choice between the ballot or the legislature's pen will shape the drafting of your ordinance. Since voters must be able to read and understand the full text of a ballot initiative, its wording needs to be kept relatively short and clear. Much of the details of implementation will have to be worked out through the legislative or administrative process once an initiative becomes law. By contrast, legislative ordinances can be far more detailed with important minutia the subject of negotiation.

Question #3

Resources —

What you need and where to get it.



A campaign's resource needs will be set by the size of the community and by its choices on the type of campaign. A ballot initiative requires far more resources. The more campaigns incorporate dimensions of mobilizing, capacity-building, and union organizing, the greater their resource needs become. Campaigns need several kinds of resources. We will discuss tips for mobilizing volunteers from coalition partners more in chapter five. Chapter six highlights the research needs. Financially, however, the single greatest resource need of any campaign is staff.

Staffing

Unless done as a most minimalist effort in a modest-sized community, Living Wage campaigns should ideally have access to at least some paid staff or full-time volunteers. They will need someone to keep track of records and activities and do the time consuming phone tasks of following up with groups and individuals to make sure that tasks get done and results brought back to the campaign. Staff will also do some of the direct work around research, drafting an ordinance, lobbying, developing leadership, etc.

According to several experienced Living Wage organizers, any campaign that seeks to engage in any substantial mobilization or leave behind any level of capacity must have at least the equivalent of one person dedicated to the campaign full time. The more involved the effort and the larger the community, the more the campaign will need additional staffing. In Chicago, for example, over half a dozen people had substantial amounts of professional work time dedicated by their organizations to the Living Wage campaign.

Campaigns can develop staffing in several ways. Finding funds to hire staff is the ideal since it guarantees people dedicated full-time to the campaign. It also establishes an institutional foundation for continuing the movement-building after the ordinance has been passed.

However, many campaigns have tapped into coalition partners' full time staff. Indeed, if a particular organization sees the Living Wage as a priority project, then its staff may provide the foundation for the campaign. In Madison, for example, the local New Party chapter dedicated its one staff person to the effort. Local ACORN staff have served a similar role in the many campaigns which they have helped organize. Other organizations engaged in several projects may not be able to fully dedicate a person, but may allocate part of their time to the campaign. Similarly, they may allocate their staff to support specific, time-bound activities within the campaign.

Several campaigns have developed ways for student interns to gain grassroots experience in helping organize for the Living Wage. In Los Angeles, for example, two student interns originally helped monitor city contracts. During the summer of 1998, the Pittsburgh campaign enjoyed the help of five interns, including three from "Steelworker Summer".

While part-time and shared staff support can offer critical help, campaigns should strive for at least one person who is dedicated to the campaign — otherwise organizers risk key tasks, especially crucial follow up work, falling through the cracks.

San Francisco Chronicle

NORTHERN CALIFORNIA'S LARGEST NEWSPAPER

THURSDAY, MARCH 26, 1998

'Living Wage' Effort May Sprout Wings

Organizers flush with Oakland success

Finding Funds

Campaigns have raised long-term money from two basic sources:

Coalition Partners

Funding from groups can be a way of differentiating the campaign's core organizations from the broader coalition. In Chicago, for example, activists set a requirement of an initial \$1,000 contribution and a commitment to turn out a busload of people for campaign events in order for organizations to have representatives on the steering committee. As the campaign developed further, contributions were requested from this core group. By the fall of 1998, the Pittsburgh campaign had fifteen organizations which had pledged monthly financial contributions.

Organizations can also contribute financially through in-kind aid. For example, an organization may print flyers for the campaign — absorbing the costs within its own budget. Another may contribute secretarial help. Campaigns can also tap individuals. A simple checkoff line on an individual endorsement card may bring modest amounts of funds.

Foundations

Foundations can provide large blocks of funds. The majority of the financial resources for the ongoing efforts in Los Angeles, for example, have come from foundations.

An entire literature exists providing tips on how non-profits can successfully seek foundation money. Put briefly, campaigns should write to foundations to obtain their application guidelines and lists of past funded projects. Your applications should be clear and to the point with enough details that your project comes across as well thought through.

The key ingredients to successful grant seeking, however, involve human networking. Applications simply sent to an anonymous foundation staff run the risk of being sidelined. Activists should try to develop some kind of relationship with foundation grant officers, so that that person is familiar with who you are and can help guide you in developing your formal application.

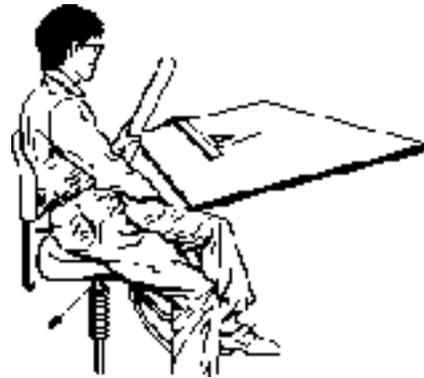
Such a relationship may already exist between a foundation and certain members of your coalition. If not, a simple phone call to the foundation can point activists toward the key people or person. The more you can enlist foundation staff in helping to draft your application to fit their priorities and resources, the more likely your request will be approved. Foundations also turn to people outside their immediate staff and board for feedback and expert advice on proposals. Again, finding out who these people are and contacting them ahead of time will strengthen your application. Foundations will vary on the accessibility levels of their staff. However, systematic follow up with your application generally pays off.



Chapter Four

Drafting the Ordinance

No two Living Wage laws look exactly the same. The tables on the next two pages summarize the wide diversity that has come out of Living Wage campaigns across the country. In their coverage, local laws have ranged from a narrow set of specific city contracts to a wide spectrum of all public dollars including direct city employees, contractors and economic development assistance. Some campaigns have even attempted across the board increases in the local minimum wage. Others have attempted to raise wages within a geographical zone. Ordinances also differ on how they define a living wage and what other requirements they place on employers. This chapter organizes the diversity of Living Wage formulations into a basic set of questions which organizers have to answer in developing an ordinance best suited to their needs. The appendix provides sample ordinances from Oakland, Detroit, and Multnomah County.



low-wage, job categories such as security, parking attendants, janitors, and food service workers.

Covering only contracts will exclude those non-profit social service providers funded by local grants. Others, especially at the county level, may be working under direct contract. How a campaign defines this coverage can potentially effect the bulk of workers in the local human service sector.

Who Is Covered?

Living Wage ordinances differ on what kinds of employers they cover from the most narrow to the most broad.

Contracts

Ordinances covering contracts offer a relatively easy sell. Taxpayers should not be paying for public services from private companies that pay people poverty wages and force them to seek public assistance. Connecting basic wage standards to contracts also helps directly fight privatization by taking away the low-wage route advantage of competitive bidding. Indeed, some living wage laws index the Living Wages required by contractors to the wages of public employees who are unionized. Attaching the Living Wage to contracts lessens the opposition's argument that it will cause job losses since the contracts are competitively bid. At the same time, however, the opposition will make the false, yet persistent claim, that the living wage will significantly increase taxes as contractors are forced to charge the city more for the services they provide.

A contract focus does narrow the scope of the campaign. The actual number of workers impacted directly may prove quite modest, especially in cities where few city services have been privatized. Many living wage ordinances further narrow coverage to specific, typically

Economic Development Subsidies

Linking living wages to economic development subsidies broadens the reach of the campaign and more directly raises the issue of corporate welfare. Local government's routine granting of tax breaks and other assistance to companies in the name of job creation offers fertile ground for raising basic job quality and wage standards.

Financial assistance can encompass a variety of different pots of money including tax abatements, bond financing, tax increment financing, grants, tax credits, loans, etc. Some laws have targeted specific forms of assistance, such as tax abatements. Others have defined their categories broadly, yet focused on assistance given specifically with the objective of creating jobs. The Detroit ballot initiative, for example, included any form of assistance (including federal grant programs administered by the city) "if the purpose of the assistance is economic development or job growth." The Los Angeles law similarly covers most financial assistance for economic development or job growth, but excluded the Community Redevelopment Agency. It also excluded loans, but did include the forgiveness of loans.

Living Wage Policies As of January 2001

Contracts	Thresholds	Living Wage	Other Provisions
Baltimore (1994)	all service contracts	set by wage commission 1994 \$6.10 in three steps to 1999 \$7.70	
Milwaukee (1995)	contractors at \$5,000 or more	\$6.05 adjusted annually for poverty line family of three	
Milwaukee School District (1996)	all schools and contractors to the schools	\$7.70 an hour	
Milwaukee County (1997)	janitorial, security, parking lot attendant	\$6.25 indexed to wage increases of country employees	
New York (1996)	security, temporary office service, cleaning, and food services	prevailing wage for the industry as determined by city comptroller. Estimated \$7.25-\$11.25.	
Portland (1996)	janitors, parking lot attendants, security, and temporary clerical	1996 \$6.75 1997 \$7.00 indexed to wage increases of city employees	
Jersey City (1996)	clerical, food, janitorial, and security	\$7.50	* require health care * require vacations
New Haven (1997)	all city service contracts	poverty line family of four in 1997 increasing to 125% of poverty line in 5 years	* first consideration hiring to referrals from community hiring halls
Durham (1998)	all service contracts	wages at least equal to minimum city employee (\$7.55 in 1998)	
Chicago (1998)	security, parking, day laborers, home and health care, cashiers, elevator operators, custodial, and clerical	\$7.60	
Cook County, IL (1998)	all contractors	\$7.60	* collective bargaining agreement may supersede
Pasadena (1998)	contracts \$25,000 or more	\$7.25 with health benefits \$8.50 without	* earlier the coalition had gotten the same Living Wage for city employees
Multnomah County, WA (1998)	janitorial, security, and food service; also seeking state funding to enable county to cover social service contracts	\$9 wages and benefits	new janitorial contracts must first interview workers employed on previous contract
Hudson County, NJ (1999)	security, food service, janitorial, and clerical	\$7.50/hr + at least \$2,000 a year of health care	* one week vacation
Haywood, Ca (1999)	city employees over \$25,000: automotive repair, building maintenance, janitorial, landscaping, laundry services, temporary personnel, pest control, security services, and social service agencies	\$8 with health benefits \$9.50 without	* 12 days paid vacation, 5 unpaid * collective bargaining agreement may supersede
Miami-Dade County, FL (1999)	service contracts \$100,000+ for listed occupations; also applies to airport licensees	\$8.56 \$9.81 without health benefits	* also applies to all county employees
Somerville, MA (1999)	\$50,000 to decrease over four years to \$10,000	poverty level family of four	* also applies to all full and part-time city employees
Los Angeles County (1999)	full-time employees on contracts \$25,000 or more	\$8.32 with health benefits \$9.46 without	* employee retention * limits part-time work * collective bargaining agreement may supersede * no country funds may be used to inhibit employee organization (unionization).
Buffalo (1999)	Contracts \$50,000 or more; includes workfare workers	\$6.22 in 2000; \$8.08 in 2002 \$ 1 more if no health benefits	*prior to contract must submit hiring and wage goals; quarterly reports after receive contract.
Tucson (1999)	maintenance, refuse and recycling, custodial, landscape, security, moving, temporary employees, pest control	\$8.00 with health care 9.00 without	* must maintain a workforce of at least 60% city residents.
Corvallis, OR (1999)	prohibits city from entering into contracts of \$5,000+ if not pay a living wage	\$9.00/hr.	
Denver (2000)	\$2,000 or more engaged in parking attendant, security, clerical support, or child care.	poverty family of four	
San Fernando, CA (2000)	contracts or grants \$25,000+ Includes employees of temp agencies	\$7.25 with health benefits \$8.50 if without	* 6 paid days off + 6 unpaid
Alexandria, VA (2000)	all service contractors	\$9.84 indexed to poverty threshold	
San Francisco (2000)	contracts, including non-profits, and leaseholders at airport	\$9; \$10 in 2001; 2.5% increase next three years. Companion legislation requires one of three health insurance options.	* 12 paid vacation days * 10 unpaid days for family emergencies
Eau Claire County, WI (2000)	contracts over \$100,000	\$6.67 with health benefits or \$7.40 without	
Santa Cruz (2000)	contractors, including non-profits Includes city employees	\$11 with health benefits or \$12 without.	
Meriden, CT (2000)	Service contracts \$50,000+	110% poverty from family of four Additional sum if no healthcare based on average insurance cost in state	
Salem, OR (2001)			
Ferndale, MI (2001)	Service contracts \$25,000+	\$8.50 or \$9.75 without healthcare Indexed to inflation	
Miami Beach, FL (2001)	City and certain service contracts \$100,000+	\$8.56 or \$9.81 without healthcare, indexed annually.	
Ventura County, CA (2001)	Contractors and subcontractors on county-financed projects	\$8 or \$10 without healthcare.	exempts in-home support workers, board and care services and printing or copying services.
Gloucester County, NY (2001)	all contracts	\$8.50 +2.37 if no health benefits, indexed by CPI.	Requires apprentice training programs Job training and youth employ. exempt
Oyster Bay, NY (2001)	Contracts \$50,000+ for janitorial and security	\$9 or \$10.25 if no health benefits.	

Monroe County, MI (2001)	County and contracts \$10,000+	\$8.70 or \$10.20 if no health benefits, indexed annually.	
Washtenaw County, MI (2001)	Contracts \$10,000+	\$8.70 or \$10.20 if no health benefits.	Non-profits can apply for three year exemption if can show need for phase in time.
Charlottesville, VA (2001)	all city contracts	\$8	
Cumberland County, NJ (2001)	Service contracts	\$8.50 +\$2.37 with no health benefits, +\$1.50 with no pension	
Santa Cruz, CA (2001, amended 2002)	Service contracts	\$11.50 or \$12.55 with no health benefits, indexed annually.	
Montgomery County, MD (2002)	All for-profit contractors \$50,000+ and at least 10 employees	\$10.25	Provisions to encourage non-profit compliance
Oxnard, CA (2002)	Contracts \$25,000+	\$9 with planned annual adjustments to \$12.22 in 2004, then indexed.	Paid leave of 96 hours annually by 2004
Watsonville, CA (2002)	Contracts in 14 categories	\$11.50 or \$12.55 with no health benefits, indexed annually.	10 compensated days off for sick or vacation. Worker retention language.
Broward County, FL (2002)	County + contracts in food prep., security, maintenance, clerical, transportation, landscaping & printing	\$9.57 or \$10.82 with no health benefits, indexed annually.	
Taylor, MI (2002)	Contracts \$50,000+	\$8.64 or \$10.80 with no health benefits, indexed annually.	
Cincinnati, OH (2002)	City and contracts \$20,000+	\$8.70 or \$10.20 without health benefits, adjusted annually.	
New York (2002)	50,000 workers on city contracts in healthcare and other industries	\$8.10 or \$9.60 without health benefits, will reach \$10 by 2006.	
Bellingham, WA (2002)	Contracts \$10,000+ in fourteen categories including clerical, parking, security, janitorial, laundry, shuttle transport, and auto maintenance.	\$10 or \$11.50 without health benefits	

Economic Development	Thresholds	Living Wage	Other Provisions
Santa Clara County (1995)	new tax abatements	\$10	* require health care or suitable alternative * must disclose how many jobs will be created, the wages and benefits, and other subsidies being sought
St. Paul (1997)	\$100,000 phase in to also cover contractors	110% poverty line family of four; 100% if provide health care	* requires 60% new hiring from city residents
Minneapolis (1997)	\$100,000 phase in to also cover contractors	110% poverty line family of four; 100% if provide health care	* goal of 60% new hiring from city residents * ban privatization if result in lower wages * preference to union-friendly businesses
San Antonio (1998)	70% of employees in new jobs created	\$9.27 non-durable goods and service \$10.13 durable goods	* business may be available for more tax abatements if 25% new hires go to disadvantaged individuals * retail facilities are deemed ineligible for tax abatements
Missoula, MT (2001)	Economic dev assistance	At least match the lowest-paid full time city employee (then \$7.95) plus health benefits.	Must comply with the Fair Labor Standards Act
Bozeman, MT (2001)	City + financial assistance	\$8.50 or \$9.50 with no health benefits, indexed to CPI.	
Pima County, AZ (2002)			
Marin County, CA (2002)	County + service contracts	\$9 or \$10.25 with no health benefits, indexed annually.	

Contracts & Economic Development	Thresholds	Living Wage	Other Provisions
Los Angeles (1997)	\$25,000 contracts leases on city property \$1 million subsidy or \$100,000 if on a continuing annual basis	\$7.39 with health care or \$8.64 without	* require 12 paid vacation days and 10 unpaid sick days * collective bargaining agreement may supersede * anti-retaliation & worker protections
Duluth (1997)	\$5,000 contracts \$25,000 financial assistance	\$7.25 with health care or \$6.25 without	* work contracted out must pay a living wage
Boston (1997-98)	\$25,000 contracts \$100,000 financial assistance -- modified to mandate only community hiring, not a Living Wage	poverty level for a family of four	* must use community based hiring halls and/or job centers * as part of contract signing, contractor must report hiring, wages levels and training plans. * quarterly reporting required * Living Wage advisory committee with labor and community representatives
Oakland (1998)	\$25,000 contracts leases on city property \$100,000 subsidies	\$8.00 with health care or \$9.25 without -- \$9.45 and \$10.87 in 2002.	* require 12 paid vacation days and 10 unpaid sick days * collective bargaining agreement may supersede
Port of Oakland (2002)	Extend Oakland living wage to the Airport and Seaport to cover 1,500 workers		
Detroit (1998)	\$50,000 in contracts or financial assistance for the purposes of job growth or economic development	poverty line family of four with health care or 125% if no health care	* where possible prioritize city residents for hiring
San Jose (1998)	contracts over \$20,000 direct financial grants over \$100,000/year	\$9.50 with health insurance \$10.75 without	* companies must ensure labor peace * central labor council notified when bids let out * new contractors hire existing workers
Madison, WI (1999)	Contacts \$5,000+ Financial Assistance \$100,000 City Employees	\$7.91 by 2001 110% poverty line family of four	* collective bargaining agreement may supersede
Ypsilanti Twp, MI (1999)	all contracts and financial assistance \$10,000+	\$8.50 with healthcare \$10 without	* collective bargaining agreement may supersede * non-profits unfairly harmed may be exempted
Ypsilanti, MI (1999)	all contracts and financial assistance \$20,000+	\$8.50 with healthcare \$10 without	* collective bargaining agreement may supersede * non-profits unfairly harmed may be exempted * city will also pay a living wage * encourages local hiring and contractors * annual recognition list of living wage employers

Dane County, WI (1999)	Contracts and Development Assistance \$5,000+ County Employees	poverty line family of four possible healthcare will be considered in July 99	
Cambridge, MA (1999)	\$10,000 contracts or assistance	\$10.00 adjusted annually using CPI	* also applies to all city employees * annual city report and Community Advisory Board
Hartford (1999)	certain city contracts over \$50,000 development projects of \$100,000+	110% poverty family of four health plan requiring employee contribution of no more than 3% of wages or must pay additional rate equal to the cost of health care.	* development projects allow workers to be represented by a union in exchange for "labor peace" (no-strike clause).
Warren, MI (2000)	contracts or tax breaks \$50,000+	100% poverty for family of four 125% with out health care	
Omaha, ME (2000)	contracts and other firms who benefit from at least \$75,000 Includes city employees	poverty level family of four with health or 110% without	Repealed 9/01
Toledo (2000)	contracts over \$10,000 & 25+ employees); subsidies over \$100,000 & 50+ employees); tenants of properties that have benefited from city assistance.	110% federal poverty level with health care or 130% without.	
Cleveland (2000)	contracts and subsidies \$75,000+ covers workers 30+ hour/week Includes leaseholders or tenants of recipients of assistance	\$8.20 in 2001; \$9.20 in 2002 then indexed	* At least 40% of new hires must be city residents * Incentives to provide health care
St Louis, MO (2000)	contracts \$50,000+ subsidies \$100,00+	lift family of three above eligibility for food stamps (In 2000 \$8.84 with benefits, \$10.23 without)	
Berkeley, CA (2000)	city contracts; financial assistance; city employees; and businesses that lease land from the city. Amended to include all companies at the Berkeley Marina.	\$9.75 with health benefits or \$11.37 without.	
Rochester, NY (2001)	Service contracts 50,000+ Economic development assist.	\$8.52 or \$9.52 without healthcare Indexed to inflation	Employers must report annually on job titles and wages of covered employees.
Ann Arbor, MI (2001)	Service contracts \$10,000+ Financial assistance	\$8.70 or \$10.20 without healthcare, indexed annually	Non-profits can apply for three year exemption if can show need for phase in time.
Eastpointe, MI (2001) Reaffirmed by voters (2001)	Contracts and tax incentives of \$5,000+	100% poverty for family of four or 125% if not health care.	
Pittsfield Township, MI (2001)	Contracts or financial assistance of \$10,000+	\$8.70 or \$10.20 without healthcare, indexed annually	Covers for-profit 5+ employees, non-profits 10+
Santa Monica (2001) Repealed by ballot (2002)	All employers with special coastal tourist zone with revenues of \$5 million+	\$10.50 +\$2.50 an hour more if no health care.	Law repealed before went into effect
Pittsburgh (2001)	City + certain contracts, subsidy recipients, and leasees.	\$9.12 or \$10.62 with no healthcare.	Covers for profit 10+ employees, non-profits 25+ 3 year phase in for non-profits
Suffolk County, NY (2001)	Loans, grants or tax abatements valued at \$50,000+ & service contractors \$10,000+	\$9 or \$10.25 if no health benefits worth at least \$1.25 an hour.	Includes tenants and leaseholders of covered employers. Non-profits can apply for one-year phase in.
Ashland, OR (2001)	City, contracts, and tax abatements \$15,000+	Wage and benefit package worth \$10.75, indexed annually.	
Richmond, CA (2001)	Contacts \$25,000+; subsidies \$100,000+; leases with revenues of \$350,000+	\$11.42 or \$12.92 with no health benefits, indexed annually.	
Burlington, VT (2001)	City; contracts, and grants \$15,000+	\$10.93 or \$12.68 with no health benefits, indexed annually using state "basic needs budget."	12 compensated days off per year
New Britain, CT (2001)	Contracts or development assistance \$25,000+	118% of poverty family of four	
Santa Fe, NM (2002)	Full time city, contacts \$30,000+ and certain economic assistance	\$8.50 in 2003, \$9.50 in 2004, \$10.50 in 2005	
Southfield, MI (2002)	Contracts \$50,000+ and tax abatements	100% poverty family of four or 125% if no health benefits.	
Fairfax, Ca (2002)	City, contracts \$10,000+; subsidies \$15,000+ and ten+ workers	\$13 or \$14.75 with no health benefits, indexed annually.	Neutrality during union organizing
Westchester County, NY (2002)	Contacts \$50,000+; financial assistance \$100,000+	\$10.75 in 2004, \$11.50 2005 + \$1.50 with no health benefits.	Task force to develop living wage legislation to cover 1000 childcare workers

Local Minimum Wage Ballot Initiatives

Houston (defeated January 1997)	\$6.50
Albuquerque (legal challenge to petitions – never went to ballot)	\$6.50
New Orleans (legal challenge; passed on ballot February 2002, stuck down by state supreme court)	\$1 above federal level, exempt businesses with under \$500,000 in revenues.
Denver (defeated November 1996)	\$6.50; \$7.15 in 1999 and indexed to cost of living thereafter
Tuscon (defeated November 1997)	\$7.00



Campaigning for a \$6.50 an hour minimum wage in Houston

Linking financial assistance to living wages raises the stakes of the campaign. It cuts to the heart of corporate responsibility and challenges basic assumption driving local development strategies which look to create “jobs at any price”. The law can potentially impact more workers and employers. Opposition cries of higher taxes is not relevant since no more city money is being spent. Businesses will attack the ordinance, however, as a “job killer.” Employers will claim that they will hire less low-skilled workers since these workers are now priced above their “market worth”. The opposition will also claim that businesses considering relocating to the city will be driven off by the Living Wage.

Covering financial assistance will inarguably increase business opposition. Campaign organizers have to calculate the local politics of deciding between a narrow contract campaign and a broader battle over economic development.

In Detroit, for example, activists knew that by linking living wage to development money they would be taking on the business community’s basic plans for the future of Detroit. The inclusion of language explicitly covering “federal grant programs administered by the city” aimed at the city’s controversial empowerment zone — an area covering significant parts of the city in which tax breaks and other financial assistance were being used to supposedly attract companies to Detroit. Organizers concluded, however, that the clear increase in opposition they would encounter with a broader ordinance was more than offset by the benefits to city residents faced with the spread of publicly-supported low-wage investment.

The balance between contracts and economic development subsidies is not always the same for each community. Unlike in many other campaigns, activists in Albuquerque found that the city used so many low-wage contractors that the contracts, rather than financial assistance would be the sticking point. Since the campaign concluded that it was not currently politically feasible to go after contracts, the Albuquerque proposal covered recipients of industrial revenue bonds, the most common tool of economic development in the city. Linking into the controversy surrounding a high profile economic development tax subsidy, the Living Wage Coalition in Manhattan, Kansas first targeted these funds. Organizers also plan to expand the Living Wage campaign to city workers, contracts, and the school board.

Ordinance Scope Check List

Are you Covering:

- contracts
 - economic development assistance
 - city (municipal) employees
 - tenants/leaseholders/concessionaires

What’s Your Threshold

- all contracts?
 - certain jobs?
 - contracts over \$ _____
 - number of employees
- financial assistance over \$ _____
 - number of employees
 - restrict to only certain kinds of assistance?

Are any Employers Exempted

- have you included contractors and subcontractors?
- exempt special training, hiring programs, short-term youth jobs, etc.?

What about Non-Profits

- cover all?
 - provide some with aid increases?
 - special thresholds?
 - phase in coverage?

By contrast, other campaigns have found that economic development subsidies were not a significant part of local government policy and therefore choose not to include such coverage in their Living Wage proposal.

Going for Both

An increasing number of campaigns have tried to cover both contracts and economic development assistance. This maximizes the fight and opens the campaign to the opposition’s twin attacks of “massive” job loss and “huge” tax increases. However, a twin focus also maximizes organizers’ opportunities to raise basic issues of corporate accountability and economic justice -- and to attract a broad coalition with identified self-interest.

Expanding Living Wage Coverage

As the movement matures, new ideas are emerging that expand coverage to cover more workers. In addition to firms receiving city contracts and subsidies, campaigns are exploring all of the following:

Concessions:

Born in the struggles at the city airport, the Los Angeles campaign covered these workers by including in the Living Wage city agreements with concessionaires and the airlines that lease from the city. Most recently, the new St. Louis ordinance also includes airport concessions.

Subcontractors and tenants:

While not a brand new idea, ordinance drafters are getting better at explicitly including the subcontractors of covered contractors, as well as the contractors and tenants of firms that are directly receiving economic development assistance. This is especially important given that the contractors and tenants of the primary developer are more likely to employ low wage workers: think of the security or janitorial company hired to guard or clean a subsidized Merrill Lynch office building. While the Merrill Lynch employees probably are above poverty, the building's security staff and maintenance crew may not be. Likewise a well-heeled developer who gets a tax break to build a shopping mall – which they then fill with low wage retail tenants. The living wage must apply to those tenants.

City-leased land:

In a couple places, living wage laws have included coverage of firms that are housed on city property, leasing land or renting property from the city. This may be especially useful in the case of an airport (airlines commonly hold leases to occupy airport land, which is often publicly-owned) or a port or harbor area that caters to hotel, restaurant, retail or other low wage tourist industries.

City-Affiliated Agencies:

Cities often include an array of "quasi-governmental" agencies, bureaus, boards, authorities and commissions that may themselves be the subject of living wage, such as the redevelopment authority, school board, hospital commission, convention bureau, port authority, airport, or waterfront. In some cases, ordinances may be able to include these entities directly in the definition of "City". However, if that's not possible, some campaigns have

Know Your Local Legal Situation



In addition to evaluating what is politically feasible, local organizers should research what is legally possible. State laws and court interpretations vary in what they allow local governments to do. In Boston, for example, the campaign scaled

back on a Living Wage requirement for recipients of financial assistance because people feared that the court system would interpret a rather vague Massachusetts home rule amendment restricting towns and cities from regulating private and civil matters to mean that the Living Wage was illegal. Since city officials ambiguous on the Living Wage, rather than campaign activists, would have had to defend the provision in court the campaign traded it in negotiations to better protect the rest of the law. From the start, the Alexandria, VA campaign has also faced home rule questions that threaten to disqualify or restrict local governments from even modest broad Living Wage provisions. However, good legal advise helped them craft their ordinance and arguments in a way that withstood scrutiny and eventually carried the day.

pursued separate ordinances applying living wage standards directly to these entities.

Non-profits:

Increasingly, campaigns are exploring coverage of non-profit contractors or grantees that provide day care, home health care, mental health services, elder care and other human services to the public. These categories represent large numbers of workers -- especially at the county level – and they are disproportionately underpaid. Due to chronic underfunding and the complex funding mechanisms involved in the delivery of these services, campaigns that aim to substantially cover these workers must consider many factors (see later discussion of non-profit coverage). But this is inarguably a crucially important living wage frontier.

Temporary workers:

Many campaigns are discovering that their own city and county governments employ large number of temporary workers to perform city services. Many of these workers are paid less and are not the fringe benefits available to public employees. Living wage ordinance can and should explicitly cover these workers. Ordinance are also extending living wage coverage to temporary workers employed by contractors and subsidy recipients that are covered by the law.

"Zone-based:"

Expanding the notion of "public investment", laws in Santa Monica and Berkeley extended living wage coverage to businesses located within a delineated "zone", regardless of whether they have received a direct subsidy from the city. These "zones" are Chamber of Commerce gems, characterized by exclusive restaurants, high-occupancy hotels and an invisible low wage workforce. Santa Monica's would have applied to the ritzy-touristy "Coastal Zone" and Berkeley applied living wage to all businesses in their thriving "Marina Zone".

Government Employees:

Ideally, local governments should also lead by example — paying their own workers a Living Wage. A month before they passed the Living Wage, the Pasadena city council adopted a permanent budget adjustment to provide living wages and benefits to their employees. The Living Wage laws in Haywood, CA, Miami-Dade County, Madison, and many others explicitly apply the Living Wage to government employees. Beware, however, that covering government workers costs money and can be used by opponents to try to make costs seem prohibitive. In Ann Arbor, estimates generated within the city administration for the city's voluntary compliance ran up to \$600,000. While the city council was prepared to pay the cost (out of a \$84 million budget), working out the details delayed the final vote. Some campaigns have chosen to exempt crossing guards, election day workers, and other part-time employees who do not live off such jobs and whose positions may be used to inflate cost estimates.

Procurement Standards:

While Living Wage campaigns have thus far generally not addressed local government material purchases, anti-sweatshop campaigns around the country have shown that local governments and other public institutions can set guidelines not to buy products made in sweatshops and/or to prioritize those that are union-made.

City-wide Minimum wage:

While not the focus of this guide, campaigns in several cities have gone a step further to outright raise the minimum wage in their cities through a ballot initiative. These campaigns have either tried to set a specific minimum amount or indexed the local standard to a fixed amount above the federal minimum wage. Across the board minimum wage laws have the enormous advantage of directly benefiting a far larger population of workers. One study of Los Angeles Living Wage law's poten-

tial impact estimated that 7,626 would see direct wage increases. By contrast, an increase in the minimum wage to simply \$6.50 an hour would directly affect 870,513 workers in that city.

Although early attempts to raise the minimum wage in a few cities failed (largely due to obscenely well-funded opposition campaigns), the idea is not dead. With the strength of the living wage movement now eight years old, efforts to expand coverage by enacting city-wide minimums should not be far behind. The New Orleans defeat illustrates the difficulties of such undertakings within the context of an ultimately unfavorable balance of power at the state level. However, The Brennan Center has identified several states where city minimum wages could legally be proposed. Chapter ten explores several model state minimum wage efforts.

The New Orleans Minimum Wage Victory Stripped Away

The first ever city minimum wage increase has come and gone in New Orleans.

In November 2000, a state appeals court delivered an important victory to ACORN's campaign in New Orleans after three long years of legal battles. The ruling sided with ACORN and the low-wage workers who filed suit in 1997 when city council refused to send a minimum wage initiative to the ballot after ACORN had gathered the required signatures. A major study by Pollin, Brenner, and Luce estimated that the new law would directly raise the wages of 47,000 workers -- with others enjoying a ripple effect. The judge ruled that the question of whether or not a state law banning local wage increases was constitutional (ACORN and SEIU charged that it was not) did not have to be decided before the minimum wage initiative could go before the voters.

As a result, the proposal to set the city's minimum wage at one dollar higher than the federal minimum appeared on the February 2002 ballots and passed by with 63 percent. In March, a district judge upheld the local minimum wage increase only to have to have the conservative Louisiana State Supreme Court overturn it. Despite this ultimate defeat the effort has up enormous organizing opportunities. The coalition is now shifting gears to school board and city worker's pay and a statewide minimum wage increase.

Setting the Thresholds

Campaigns focused simply on city contracts have generally either covered all contracts or those for specific kinds of workers. Those encompassing financial assistance or both contracts and assistance have used dollar thresholds and/or a minimum number of employees to determine which employers are covered. The exact amount has been the subject of several factors.

The community's size and the scale of money involved obviously shapes the ordinance. With a population of under 100,000, Duluth's campaign set their threshold at \$25,000 for assistance and \$5,000 for contracts for specific types of work. The Los Angeles law, with a population of over three million, set \$25,000 for contracts, but places the financial assistance at one million dollars for total assistance or \$100,000 per year for continuous yearly assistance. The \$100,000 threshold requires Living Wage compliance for each year of the aid, while the one million dollar mark applies for five years after the threshold has been crossed. Covering small and medium-sized towns, townships, and the city of Ann Arbor, the "boiler plate" ordinance drafted by the Washtenaw County campaign uses a threshold of \$5,000 and five employees (\$10,000 and 10 workers for non-profit employers). The law passed in Ypsilanti Township raised the threshold to \$20,000.

Employer Exemptions

Many ordinances may exempt what are perceived as vulnerable employers with special value to the community. Campaigns may also considered exempting employers who the opposition will use as anti-living wage "poster child" businesses or job situations. For example, after the passage of its ballot initiative, the Detroit campaign proposed explicit language to exempt short-term employment in special youth jobs and training programs. Ignoring both the wording of the actual law and the campaign's intentions, the hostile media had field day running stories which profiled young people who supposedly were going to lose their jobs and local community training programs that would be "shut down" by the Living Wage law.

Many exemptions codified in existing Living Wage laws reflect compromises that came out of negotiations to secure the ordinance. The Los Angeles law, for example, exempted recipients of financial aid for their first year of existence only and those employing under 5 workers. Through negotiations the campaign also had to settle for an exemption for employers hiring the long-term unemployed or workers in trainee positions intended for permanent positions.

Duluth's law contains several specific exemptions including small businesses (gross revenues under \$362,500 a year), Community Development Block Grant recipients, summer youth employment programs, job training services, and assistance for renovating old or deteriorating buildings.

Non-Profits

Coverage of non-profits has proven a thorny issue. When opponents seek innocent-looking employers to serve as poster children for denouncing the living wage, non-profit organizations are often at the top of the list. While a campaign can avoid the issue all together by exempting non-profits, workers at such agencies are often the most in need of a living wage. In fields such as childcare, food programs and eldercare, a large number of employees are typically paid poverty wages. Among many other non-profits, a handful of employees may work below the living wage -- adding up to significant numbers when taken together. Indeed, at the county level, the majority of workers potentially benefiting from a living wage ordinance will likely work in the non-profit human service sectors.

We will cover the non-profit issue in greater detail in chapter seven. In summary, different campaigns have addressed non-profits in different ways. The laws' particular threshold levels may fully or partially help distinguish between non-profits. Several campaigns have added specific provisions for non-profits. The amended Boston law exempts non-profits employing fewer than 25 workers (previously 100). Los Angeles activists exempted non-profits if the compensation of their executive officer was less than eight times the lowest wage paid in the corporation. The templet ordinance for Washtenaw County proposed a 3-year phase in and allowed non-profits to petition local governments for either increased funding or special hardship exemptions if no new funds were provided.

The Dane County (WI) campaign simply acknowledged the need for the county to increase funding to smaller non-profits in the human service areas. Efforts in Allegheny County and Santa Cruz have won similar special funding pools. As we will detail in chapter seven, such an approach is likely to be increasingly common. Multnomah County's law, while not covering non-profit social service contracts, did commit the county and the Living Wage coalition to jointly lobby state and federal sources for increased funding for non-profits to make a Living Wage coverage eventually possible. As we will explain in chapter seven, campaigns which wish to cover

all non-profits need to have a strategy for providing some funds for those organizations most in need. While this complicates a campaign, it also provides the most direct way of building a strong alliance with the non-profit community. Full non-profit coverage provides much-needed raises to a significant number of workers.

Welfare-to-Work

Campaigns should investigate the local implications of welfare reform. Unless welfare-to-work recipients are covered by the Living Wage they could be used to replace workers covered by the law.



What is a Living Wage?

While coalitions are free to set a living wage at any level they wish, many may directly or indirectly pegged their ordinances to the poverty levels defined by the federal government. The most common benchmark has been the poverty guideline for a family of four — \$18,100 for 2002 (\$8.70/hr if calculated at a full 52 forty hour weeks or \$9.05 if using the common 2000 work hours a year). The new guidelines are published every February or March by the US Department of Health and Human Services (<http://aspe.hhs.gov/poverty/>). They reflect changes in the consumer price index measuring inflation.

The federal government's poverty calculations have drawn their fair share of criticism. First started during the 1960s War on Poverty, the basis for the measure lies in an "economic food plan." The Department of Agriculture estimates the minimum nutritional requirements for a family in monetary terms. This number is then multiplied by three to get a yearly income.

This formula makes a number of questionable assumptions. For example, it assumes that people have access to foods at the cheapest rate possible when in reality the shortage of supermarkets in poor neighborhoods hardly offer the best prices. Furthermore, many have questioned whether or not a healthy family can really

live off of the minimum nutritional requirements over a long period. Most important, the calculation assumes that families spend one-third of their total budget on food. While this may have been true in the 1950s data from which the standard originated, it clearly is not the case today. A better measure would assume food constituted one fifth to one sixth of a family's budget. Thus, a more accurate poverty level would multiply the basic food cost by five or six. Recalculating the poverty line for a family of four using the five multiplier produces a yearly income of \$29,416. Defining a living wage at \$8.50 an hour, a family of four would need one family member working full time and one working over 26 hours a week to reach \$29,416.

Setting the Base Amount

Despite the limitations in the official poverty standard, many campaigns have used the standard to set their base living wage amount. While some campaigns use 100 percent of the standard, others have gone as high as 125 percent (\$10.88 in 2002). Other campaigns simply chose a dollar amount that they feel is reasonable and winnable. Below we describe how to index the wage to keep up with inflation.

Since the federal poverty line does not recognize differences in the local costs of living, several campaigns have tapped into research on local or regional cost of living to justify a higher minimum. In Santa Clara County, for example, the same coalition which successfully passed a Living Wage ordinance in San Jose has been involved in other economic democracy issues including the production of a report detailing the dark side of Silicon Valley's economy. With the average house priced at \$320,000 and rents for modest one bed room apartments running \$1,200 a month, the study determined that a minimum wage needed for self-sufficiency was \$10.80 an hour per adult in a two-wage family or \$15.72 for one adult to support a family of four. The report more than justified calling for a Living Wage of \$10 an hour plus health care.

In Washtenaw County, MI organizers used two other measures to argue for a Living Wage of \$10.85 an hour. This figure is discounted by one cent for every dollar each month the employer contributes for health insurance, up to \$2.50 an hour total discount. In 1997 the Michigan County Social Services Association conducted a "market basket survey". They developed a complete list of the items and services a family would have to pur-

Setting the Requirements

What is a Living Wage

- _____ dollar amount
- _____% of the federal poverty level

Setting Increases

- set to federal poverty level indexed to local public employees wage commission

Other Requirements

- health care
extra wage if no health care
- vacation time
- disclosure requirements
- local hiring
_____ % requirement
community hiring halls
- anti-retaliation and worker protections
- fair labor relations
restrict privatization
union-friendly employers preferences
collective bargaining opening
- other requirements

chase in order to meet their very basic needs. They then sought out the going market rate for these goods. Not including health care costs, the survey estimated that a Michigan family would need \$17,376 a year — or \$8.68 an hour to meet its very basic survival needs.

This statewide average, however, did not cover the specific cost of living in Washtenaw County. Using a method developed by the Living Wage campaign in Austin, TX, local activists obtained the Federal HUD (Housing and Urban Development) figures estimating the fair market rents specific to the county. Federal guidelines dictate that no more than 30% of a person's gross income should be spent on housing. According to the Federal figures, rents in Washtenaw County were 46% above the national average. HUD placed the fair market rent for a two bedroom apartment at \$659. To spend no

more than 30% of its income on rent a family would have to earn \$26,360 a year — or \$11.86 an hour for a single wage earner.

The Economic Policy Institute has issued a How Much Is Enough study that developed a living family budget for 400 cities and counties. Their family budget calculator is available on line at www.epinet.org.

Ultimately, the Living Wage amount is a question of politics and organizing strength, rather than a technical one. Ideally, campaigns want to push for as high a wage as possible. In St. Louis (MO), for example, the ACORN and SEIU set their living wage level at the eligibility for food stamps for a family of three— that's 130% of the Federal poverty line or currently \$10.28/hour. However, activists have to evaluate what level, given their political situation and local costs of living, they can justify and win. A campaign does not want to advance a Living Wage seen as being so high (given local circumstances) that it is not taken seriously by legislators or the public. On the other hand, in a place such as Fairfax, California a living wage of \$13 with health care or \$14.75 without proved perfectly reasonable.

Increasing the Wage Over Time

Obviously, no campaign wants to win living wage standards only to see them erode over time from increases in the cost of living. Living wages set directly to the current federal poverty level will automatically increase each year. Some campaigns have also gradually increased the Living Wage's index to the poverty line. The first year it may be 100% of the measure, for example, but then increase over time to 110%, 120%, etc.

Campaigns which have set their Living Wage to a specific dollar amount have handled increases in several ways. Indexing the Living Wage to the consumer price index provides a straight forward increase over time. Some laws mandate specific incremental increases over time. Several ordinances have tied the living wage to increases received by local public workers — thus linking living wages to union gains in public sector collective bargaining. Other ordinances have relied upon a public commission to review increases in the cost of living and adjust the living wage minimum accordingly.

Beyond Wages — Other “Living Wage” Requirements



As the living wage movement has developed and the coalitions broadened, organizers have become bolder. Community and labor organizers have begun to recognize the potential of Living Wage campaigns to advance their specific constituency’s needs as well as a broader economic justice agenda. One sign of this aggressiveness has been the increasingly common additional requirements attached to Living Wage laws. These include the following:



Health care Benefits

Health care represents a critical cost for families, especially those with children. More and more campaigns require health benefits as part of their living wage ordinance. Because of federal law, Living Wage ordinances cannot mandate specific forms of health care, nor that employers even provide health benefits. Instead, the Living Wage ordinance can require a higher wage for employees who are not providing health benefits.

The Los Angeles ordinance set the base at \$7.25 an hour, but required \$8.50 without health care (now \$8.47 and \$9.52). Oakland’s law similarly added \$1.25 if no health care was provided. Detroit’s ballot initiative requires 125% of the federal poverty line if no health care was provided — an increase of almost \$2 extra an hour in the Living Wage using 1997 numbers. In the case that health benefits are provided, the dollar figure provides a bench mark for evaluating the quality of this coverage. In LA and Oakland, the cost of the plan must be at least \$1.25 an hour from the employer. Thus, an employer can not simply purchase some cheap catastrophic injury insurance and call it a health care plan.

In addition to requiring a higher wage or health care, Cumberland County also increased its living wage by an extra \$1.50 an hour if the employer did not provide a pension.

Vacation Time

The United States is one of the few industrialized nations that does not have laws mandating minimum yearly paid vacations. In Europe the typical standard runs

between 4 and 5 weeks a year. As activists have researched employers, they have discovered workers who have never been provided paid time off. The Los Angeles campaign, for example, profiled “Teresa” who after twenty years of service for the same company received no paid vacations, no sick leave, no overtime, and no days off. Her yearly income was \$9,500. A diabetic, she told campaign organizers that she was beginning to suffer complications. Thus, Los Angeles’s law mandating a minimum of 12 paid days and 10 unpaid days a year came as no small accomplishment. Jersey City, San Francisco, San Fernando, Haywood and others also require paid time off. Oxnard (CA) placed its requirement in terms of hours -- requiring 96 minimum.

Disclosure

Commonly, employers receive tax breaks and other economic assistance with vague promises to keep or increase jobs. Typically, few records are kept to see if these promises have been met. Campaigns can save themselves some leg work by requiring that companies file information to a central office. The campaign can then either use the information or use the lack of reporting to target specific employers.

The original Boston ordinance required all applicants to submit reports on their hiring, wage levels, and training plans. Such reporting would have given campaign organizers the opportunity to attempt to block contract or subsidies for employers who were not good corporate citizens. The substitute law only requires such information at the time of contract signing. It is critically important to demand public disclosure of all such reports. Recipients of contracts and/or financial assistance are also required to submit quarterly reports giving job numbers and wage ranges. The city is required to make its own report. Originally the company information was to be fully public. Negotiations over implementation led to a compromise in which the Living Wage Advisory Committee, including the ACORN and AFL-CIO representatives, have access. The Santa Clara County law mandates full disclosure of the number of jobs to be created, the wages and benefits paid, and what other subsidies are being sought.

Campaigns should demand that all information provided to the city be made public so that the Living Wage coalition has access to such data. Information is power.

Local Hiring

A company which locates in a city may not necessarily bring jobs to local residents. Indeed, taxpayers can provide financial assistance to an employer who ends up simply bringing out-of-town-commuters. The Boston and New Haven Living Wage laws require covered employers to go to community hiring halls as their first step in seeking new workers. St. Paul's ordinance mandated that 60% of new hiring by covered employers come from city residents. Minneapolis sets this criteria as a goal. Detroit's ballot initiative encourages such hiring.

For groups organizing among low-income neighborhoods, such provisions can provide opportunities for community organizing around jobs. Indeed, activists can target specific employers for hiring and training agreements.

A related possibility, used not just in Living Wage laws but related corporate responsibility legislation, requires companies to set clear job creation targets in return for public subsidies. The law may then empower local governments to revoke or "claw back" the value of the subsidy if the company fails to meet its promises. The recent campaign to expand the Living Wage in the Twin Cities considered requiring companies to create a certain number of jobs per dollar amount of assistance, as do several of the new statewide corporate responsibility proposals.

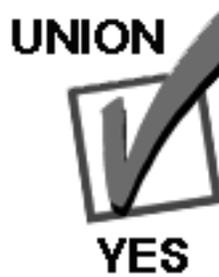
Other Ideas

The following suggestions may provide other helpful ideas.

- * Affirmative action targets
- * Training requirements
- * Proof of past observance of all local, state, and federal environmental laws and standards.
- * Require proof of the need for a subsidy.
- * Establish a community advisory board to review subsidy applications and/or require public hearings.
- * Restrict part-time and contingent work by:
 - mandating minimum hours.
 - requiring written job descriptions specifying hours, wages, and estimated duration of employment.
 - requiring that contingent workers be paid the same rates and benefit levels as permanent workers.
 - mandating that part-time workers receive benefits proportional to their hours worked.

Support Workers' Right to Organize

In theory, US labor law protects workers' right to freely decide to join a union. In reality, union-busting is a multi-billion dollar industry staffed by specialized management consultants. In half of all union elections employers illegally fire selected union supporters. In a majority of cases, management also threatens to close the workplace if a union is voted in. Living wage campaigns can help restore the right to organize through several mechanisms.



Note, however, that the legal status of such provisions as employer preferences and labor peace are tricky. Courts may find provisions to be preempted by the national Labor Relations Act. Activists should check with other campaigns that have passed such measures and/or labor lawyers when

drafting such provisions.

No Money for Union Busting/Employer Preferences

— Laws can deny contracts or financial assistance to employers who violate such laws as the Family Medical Leave Act, the Occupational Safety and Health Act, or environmental regulations (but not violation of the National Labor Relations Act unfortunately). Minneapolis, for example, mandates preferential treatment in handing out development assistance to business with responsible labor relations. This is defined as neutrality in the face of a union organizing drive by its workers. A neutral employer provides the union access to the names and addresses of all workers, respects the right of workers to discuss the union during non-work periods, will voluntarily recognize the union if a majority of workers sign union membership cards, and agrees to binding arbitration for a first contract. Together these provisions compel employers to play fair by dropping much of the common bag of dirty tricks used to avoid unions. In a similar vein, both Kankakee County and Los Angeles County prohibit companies that receive public funds from hiring anti-union law firms or engaging in related anti-union behavior.

Labor Peace — Hartford, San Jose, San Francisco airport and a separate new Milwaukee law require companies to ensure the public that services will not be disrupted by labor conflict. To this end, "labor peace" provisions require covered employers to remain neutral during a union drive, provide union activists access to workers, and to accept union recognition when a majority sign union cards. (Such provisions are often referred to as

"neutrality/card check recognition). In return, workers may not to strike organizing drive. Santa Cruz enacted card check recognition and neutrality for its city employees and temporary workers. Due to possible preemption by the NLRA, labor peace is sometimes carefully targeted at certain types of workers for whom the city can demonstrate a direct proprietary interest as the user of the services.

The Right of First Refusal / "Worker Retention"

— gives contract workers the right to stay on the job when contracts change hands. This helps stabilize the work force and mitigates employer threats of a loss of contract. San Jose, LA County, and New Haven includes this provision in their actual Living Wage law. Baltimore and Los Angeles have it as separate legislation.

Anti-retaliation — provides harsh penalties for any employer that discriminates against or penalizes workers for discussing their rights under the Living Wage regardless of whether the employer is actually be covered by the Living Wage requirements. Such measures have been enacted, for example, in Los Angeles, Oakland, and San Jose. Public officials can also lead by example. In Baltimore, AFSCME and BUILD persuaded the Mayor to publicly announce his hiring onto city staff of two workers fired for organizing. They also passed an ordinance that provided that contractors caught retaliating against Living Wage employees could lose their contracts with the city. In Los Angeles, this protection against retaliation was extended to all workers in the City -- regardless of living wage coverage -- thereby using the living wage rubric to extend "extra" protection to union organizing more generally in the City. There has already been a lawsuit brought under this language on behalf of a worker in Los Angeles (sympathetic to an ongoing organizing drive) who was fired after asking about living wage.

Anti-Displacement -- The original Boston ordinance prohibited employers from avoiding a union by displacing workers covered by collective bargaining agreement. It also gave laid-off city workers first priority for jobs covered by the ordinance provided they would have had rights to such jobs if the work were being performed by city employees.

Collective Bargaining Opt Out -- Los Angeles activists sought to provide union organizing greater leverage. Their law allows collective bargaining agreements to supersede the law's requirements. Thus, unionized employers have the opportunity to bargain for greater flexibility such as trading certain wage levels for increased benefits or lower starting wages for increased long-term

Using the Living Wage to Organize Workers in Santa Cruz

The Santa Cruz County Coalition for a Living Wage has worked closely with the local central labor council to successfully promote union organizing. The below examples illustrate some of the potential to link living wages and union organizing.

City Temp Workers

The broad show of community support for the living wage ordinance brought the issue of the abuse of temporary workers at the City to the forefront of the City Council's agenda and made it a community issue. In Santa Cruz, rather than contracting out to save money, the City hires tons of temporary workers (650 compared to approximately 450 permanent, unionized workers). The living wage campaign provided the leverage needed to get a City Resolution recognizing the right of temps to organize and agreeing to recognize the union by card check. The City also provided SEIU Local 415 with the list of temporary workers. The organizing campaign saw coalition members and union members working together to get cards signed. SEIU gained official union recognition shortly after the passage of the resolution and a contract soon thereafter.

Labor Peace at a Local Non-Profit

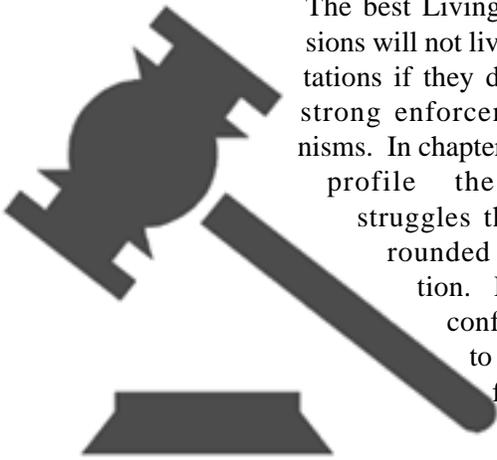
Literally days after the LWO went into affect, the labor peace provision was invoked as leverage to get the Board of Directors of a local nonprofit agency (which had a history of being anti-union) to agree to card check neutrality for a unit of paratransit workers. Because this agency contracts with the City of Santa Cruz for a limited amount of funding, they are required to comply with the labor peace provision of the LWO for all their workers. With a majority of workers signing union cards, the union has been officially recognized.

Developing Worker Activists

The campaign's outreach to workers affected by the living wage ordinance got these people active in speaking up about wages and working conditions. Some of these workers are joining the organizing committees and/or bargaining teams of organizing drives at companies covered by the living wage.

wage levels, etc. Laws in Duluth, Madison, Hayward, Oakland, and Cook County contain a similar collective bargaining provision. Warning, however, the law must make clear that waiving the living wage must be the outcome of collective bargaining in which both sides agree. In Detroit, the city's law department simply decided, with out any provisions in the actual law supporting their position, that any worker covered by a union contract was automatically not covered by the living wage!

Enforcement



The best Living Wage provisions will not live up to expectations if they do not include strong enforcement mechanisms. In chapter eight we will profile the follow-up struggles that have surrounded implementation. Here, we will confine ourselves to the provisions found within the laws themselves.

Living Wage enforcement revolves around three questions: who will enforce the law and how, for how long will the Living Wage requirements apply, and what penalties employers suffer if they violate the law and the accompanying remedies which workers receive. Since Living Wage laws parallel many of the mechanisms used by the prevailing wage, the experiences of the local building trades may provide helpful precedents for what mechanisms have been most effective. As part of its Live Up to the Living Wage project the Guild Law Center (see appendix) maintains a short primer on the legal issues surrounding enactment and enforcement which provides helpful ideas for drafting a strong ordinance. ACORN and the Brennan Center can also offer model enforcement language (see resource list in appendix).

Who is Responsible for Enforcement

The best administration of the living wage comes when one specific city department is charged with oversight and enforcement. Campaigns have recommended, or when possible designated, specific departments not simply on the basis of jurisdiction, but also on the department's overall effectiveness. Requiring a weak and understaffed part of the bureaucracy to oversee the ordinance will simply undercut enforcement. Sample enforcing departments include: Purchasing, Bureau of Contract Administration/ Department of Public Works, City Controller, Board of Estimates, Office for Jobs and Community Service, and a Wage Commission. These offices will likely have to develop rules and regulations to detail the implementation questions. The campaign should insure that it has clear input in developing these provisions. In larger communities living wage enforcement could use dedicated staff. Los Angeles has six full-time staff. In 2001, the Detroit city council allocated

Enforcement

- Which city department/ office will enforce?
 - require routine payroll reporting from firms
 - right of on-site inspection
 - full-time staff?
- empowering workers
 - right to file with city office
 - right to suit
 - posting requirement
 - worker education program
- oversight commission
 - stakeholders in the loop
 - long term impact
 - public hearings

Penalties

- back pay to workers
- \$ ___ a day finero the city per worker
- cancel the contract or subsidy
- bar from future assistance & contracts
 - two or three strikes and you're out
 - bar for 1, 3, 5, 10 years
- clawback(contract/subsidy money comes back to city)

funds for two staff. Then mayor Dennis Archer failed to fill the positions. Other cities extend the duties of existing staff to include living wage compliance. In San Jose, for example, the office of Equality Assurance already existed to monitor both prevailing wage and the city's minority- and women-owned business policy.

Different ordinances have aided the work of governmental office in various ways. Durham and others, for example, detail the right for public inspection of the workplace and employment records. Baltimore and others require employers to keep records for three years and to file basic wage and employment information routinely with the city. The Durham law specifies two year records and similarly requires a routine report.

Reporting requirements can be made at three levels: 1) the Living Wage can require detailed wage and employment information as part of the application process for contracts or subsidies; 2) the law can mandate routine quarterly or yearly payroll or other data from firms covered by the Living Wage. 3) the city can be required to publish reports at least annually on who was covered, any enforcement actions, waivers granted, etc. Such report-

ing requirements provide crucial information that not only helps activists enforce the Living Wage, but also develops a greater understanding of local employers. Companies will cry about their need for business confidentiality. Activists, therefore, should be clear on the authority of local governments to demand company data and make it public. Ideally reporting requirements should be backed up by city staff site visits to covered employers to confirm the accuracy of company reports and to investigate worker complaints.

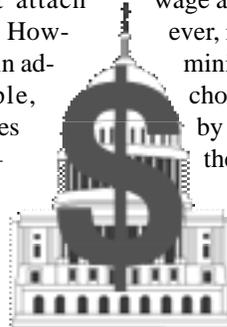
The generally poor enforcement record of our nation's labor laws suggest that activists should not simply rely upon government staff to discover and crack down on violations to the law. Several ordinances empower individual workers to file complaints. While these complaints can simply go to the appropriate part of the city bureaucracy, the strongest measures also allow workers to take matters into their own hands by suing their employer. The Los Angeles law empowers workers to do just this. The Detroit ballot initiative provides this option 90 days after a complaint is filed with the city's purchasing department. In both cases, an employer found guilty pays all attorney and court fees. All measures which empower individuals to speak out also provide for protection against harassment and reprisals from employers.

Laws require posting or distribution to workers of exact information on their rights under the Living Wage (see Washtenaw County example in appendix). This is best supplemented with campaign education work. Los Angeles has established a training program on rights and remedies for affected workers, run by Living Wage Campaign organizers. In Detroit, small groups of volunteers have visited worksites, collecting complains, and alerted the city. Most recently such efforts have led to law suits on behalf of workers denied a living wage.

In Boston, activists secured a public advisory body with the power to call hearings. The Living Wage Advisory Committee reviews the law's effectiveness in creating and retaining living wage jobs, and in securing access to those jobs for low and moderate income Bostonians. Negotiations with the mayor produced a seven-member commission with one seat reserved for ACORN, one for the AFL-CIO, and one for a community-based organization that operates entirely within the city. Of the four remaining seats, the city Chamber of Commerce and a neighborhood Chamber of Commerce each get one representative. The other two members are appointed freely by the mayor. The committee must hold

What About State & Federal Money?

Applying your Living Wage to money that comes from state and federal sources can be a source of confusion. Local governmental officials may claim that they simply can not attach wage and other conditions to such funds. However, if local government plays some role in administering the money — for example, choosing who gets it or designing the rules by which the funds are distributed — then it can attach local requirements. Indeed, municipalities attach local provisions onto state and federal funds all the time. Your ordinance should be worded to assume that your local government can cover the targeted funds. Otherwise you risk a headache. In Los Angeles, for example, the Living Wage law's application to contracts which included federal funds was held up initially over the question as to whether the city needed to obtain permission from the appropriate federal agencies.



public meetings every quarter and hear testimony on the uses of city assistance. Chicago's advisory committee has four city councilors, four through the Chicago Federation of Labor, four from non-profits, and four representatives from covered businesses.

In a related vein, the Los Angeles ordinance requires the Chief Executive Officer and the Chief Legislative Analyst to conduct or commission an investigation every three years on the functioning of the ordinance (starting with one after the first year). This study is to determine the record of compliance, the law's impact on work force composition, productivity, and product quality, and how the costs of compliance have been distributed among workers, their employers, and the city.

San Jose takes enforcement directly to workers by mailing a survey, at employers' expense, to all workers covered by the living wage law. The city also does site visits. Both allow the campaign to have a direct connection with affected workers.

How Long Does the Living Wage Apply

The Living Wage applies for the length of a contract. However, the duration of requirements for financial assistance is something the campaign needs to think about. Does the forgiveness of a loan just apply for the year the action was taken? Does bond financing apply just for the length of the bond or the duration of the facil-

ity being financed? In Los Angeles, for example, the Living Wage applies for five years after an employer's financial benefit is realized.

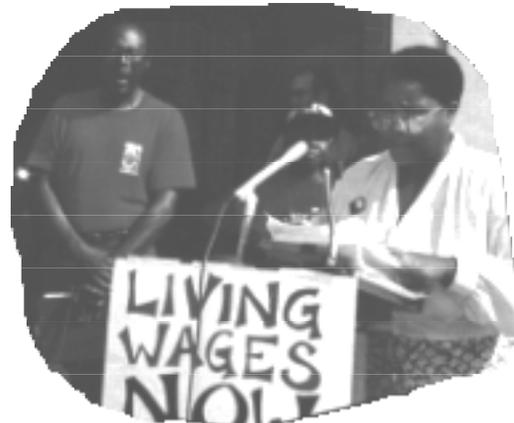
Penalties

The growing record of company violations of our nation's labor laws, due to inconsequential fines, should caution activists to mandate serious penalties for living wage violations. All ordinances allow the city to cancel contracts for violating the Living Wage. They also typically permit the city to withhold public money in order to fund any back pay and fines. Most also have mechanisms for barring flagrant violators from future public funds. Three willful violations within two years will bar an employer from Baltimore city contracts for ten years. This provision has been picked up in several other cities including Durham and Detroit. In New Haven it's three strikes and an employer is barred for 1-3 years. Two willful violations in Duluth bars a company from the public purse for five years.

The minimum financial penalties require full restitution of back wages for the period in which an employer failed to pay a worker a living wage. Baltimore, Durham, and Detroit added a city fine of \$50 a day per worker for any willful violation. New Haven's law extracts as much as \$100 a day per worker. Local city charters do vary considerably on the levels of fines that may be imposed for Living Wage civil violations.

Campaigns may also want to empower local governments to recover financial assistance granted to companies violating the law. Such "clawback" provisions make common sense. If a company agrees to certain terms, such as a Living Wage, in return for taxpayer assistance, the public should have the right to take back that assistance if the company does not fulfill its part of the agreement. Such provisions are a common part of industrial subsidies in Europe. Unfortunately, in this country, companies not only fail to fulfill jobs and investment promises, but some have even used the subsidies to move equipment and fund plant closures! In response, over a dozen states and several cities have tied clawback provisions to some of their economic development programs. These can be easily adapted to the Living Wage. A New Haven law, for example, calls for the cancellation of any subsidy if a company moves all or part of its subsidized operation from the city. Authorities can also clawback subsidies already granted with an interest penalty. Austin, Texas has a provision allowing the city to recapture some or all subsidies received by a

company if that firm leaves the city within a period *twice* the length of the abatement. The Oakland and San Jose Living Wage ordinances provide examples of clawback provisions as a possible sanction.



Carole Casamento/Milwaukee Labor Press

Public Participation

As chapter eight makes clear, passing the ordinance is only one part of establishing a Living Wage. Officials will have to develop detailed implementation rules and then carry out the actual provisions of the law. Opponents who failed to block the Living Wage law may try to gut it by watering it down and obstructing its enforcement. The best ordinances ensure that such implementation and enforcement be done through an open process which allows for public comment and participation.

For example, the law should be clear on who is to be involved in implementation. Ordinances can require that implementation regulations be subject to approval by the city council, and hence through a public process. The law should also explicitly require that all company reporting requirements and city monitoring data be part of the public record.



Look Out – Wording is Important

As more Living Wage laws go through the implementation process, the importance of careful ordinance wording and the continued activism around enforcement becomes ever more evident. Unfortunately, the ideal language for ensuring that the spirit of living wages is followed varies by locality and state. However, some general guides are clear.

One provision is clearly needed by all living wage laws. Many ordinances have been carefully worded to include not only the firms receiving the public funds, but also all contractors or subcontractors which such companies use for work and facilities covered by the Living Wage. Without such language companies can outsource their way around the law.

Local campaigns have already experienced some other loopholes. In some cities which applied the Living Wage to financial assistance for “economic development and job creation”, local authorities have changed the official rubric for certain assistance so that it technically is not for “job creation” but for things such as “community development”, etc. In other cases, city councils have granted waivers to certain employers. These waivers can seriously undermine the Living Wage’s reach. In Los Angeles, for example, Robert Pollin and his research team found that nearly half of the workers estimated to gain from the Living Wage worked for just six subsidy recipients out of the over 700 firms covered. (These six firms were in construction, printing and publishing, food processing, trucking and water transportation).

The impact of local laws can depend on how Living Wage provisions are interpreted. For example, do the wage requirements apply to all employees at a company or just those working on the city contract or assisted project? The Pittsburgh campaign defines coverage as “any one touching the work”. Can financial assistance be denied if an employer does not pay living wages anywhere in the firm, or can the law be applied only for the case of workplaces within the city or within the specific projects being covered with taxpayer money?

For reporting requirements, must the employer provide information on all employees or simply those covered by the Living Wage? Campaigns also have to think about how they define thresholds. How is a 30-year tax abatement, for example, calculated for the purposes of determining coverage? Do you break it down into a yearly average or count the entire package as one sum?

The more activists spell out the provisions of their law beforehand, the better off they will be. As much as possible, campaigns should not leave interpretations of details to local officials. The more organizers specify exactly what contracts and assistance is covered and how broadly coverage applies, the less the chance of the law becoming watered down in its implementation. This may require some research to determine exactly how local government organizes the public coffers and handles its tax breaks. We will discuss the activism that has developed around implementation in chapter eight.

Contact ACORN LWRC or the Brennan Center for ordinance review or advice and language that addresses these questions. (See resource list in appendix)

Chapter Five

Building the Coalition

One of the great strengths of the Living Wage concept comes from its ability to unite diverse groups into a broad coalition. As chapter nine will detail this living wage coalition can live on well beyond the specific campaign to enact a local law. The next few pages offer sample lists from two campaigns. Duluth is a university town of approximately 100,000 residents. By contrast, the Chicago list comes from one of the nation's largest cities.



nize among low-wage workers, especially the Service Employees International Union, have used the Living Wage to directly raise the wages of some of members and to strengthen their overall bargaining position.

“Welfare to Work”

Living Wage campaigns speak directly to groups battling so-called welfare reform. Critics decry these “reforms” as simply eliminating the nation’s commitment to a safety net by forcing families on public assistance into poverty jobs, pitting them against existing low-wage workers.

The real problem concerning welfare is not the motivations of the families receiving support, nor the mythical disincentives to work, but a basic lack of economic justice. Under the old system a parent with dependent children had to choose between degrading and inadequate public assistance or a poverty wage job that likely increased dramatically the family’s costs for child care, transportation, and health care. The real solution for families on welfare is straight forward: decent jobs with family-supporting wages and benefits supported by a national commitment to universal child care, full education opportunities, and public transportation. Instead, so-called welfare to work programs force parents to work for meager assistance. In cities such as New York and Baltimore, “workfare” workers have been used to directly replace unionized employees.

The Living Wage helps ensure that people who work are provided access to family-supporting jobs. The implementation of welfare “reforms” is now well underway. With the human crisis of hundreds of thousands of people cut off from public assistance just around the corner, now is the time to demand a higher wage floor so that all workers can support their families. Limited public funds should go into job creation, training, child care, etc. rather than subsidizing poverty employers.

Why Join — Different Motivations for Different Groups

Each individual and group has its own particular reasons for supporting a campaign. Learning to tap into these various motivations helps in persuading a group to endorse the campaign, but also to inspire a more active commitment. While every group is different, the below six dimensions represent common sources of interest in Living Wage campaigns:

1. Poverty Wages

Obviously, low wages represent the core issue at hand. Working poverty impacts everyone through the constant downward pressure it exerts on wage levels generally. Furthermore, taxpayer-funded government assistance for the working poor represents a public subsidy for low-wage employers. For human service organizations, such as homeless shelters and food banks, who serve a growing working constituency, a living wage promises a concrete reduction in demand on their scarce resources. Neighborhood and civic groups understand that concentrations of low wage workers and families contribute to overall neighborhood decline through less local spending, fewer homeowners, decreased civic participation, increased neighborhood isolation, etc. Unions that orga-

2. Privatization & Outsourcing

Communities across the country face ongoing battles against conservative, anti-government efforts to hand public services over to private companies. Privatization directly threatens jobs of unionized government workers. Thus, the Association of Federal, State, County, and Municipal Employees (AFSCME) has been a major player in several Living Wage campaigns. Other unions may also represent public workers. Privatization also threatens the labor movement generally since the contracts typically go to non-unionized employers who lower wage levels, provide few benefits, and little job security.

Privatization also draws opposition from citizen groups. For profit companies have an inherent interest in increasing their bottom line by decreasing the quality of services. There is also no guarantee that firms which initially bid low to obtain a contract will not increase their demands in future bids. Indeed, while governments can afford budgets which break even, private companies must sustain a profit. Thus, taxpayers must support not simply the operating budget, but a surplus as well. Done in the name of saving tax payer money, privatization often costs more in the long-run and provides no guarantee of improved service delivery.

The Living Wage undercuts the incentive to privatize since the supposed reduced costs can not simply come from forced poverty wages. Ordinances can also require that the same workers be kept on or given hiring priority when work is contracted out or when the contract is changed to a new company.

Outsourcing is the private equivalent of privatization. Workers at unionized firms can lose their jobs when employers contract out work to often non-unionized, low-wage employers. The actual work does not even have to physically leave the work place. Literally, two people can work on the same site, side by side, and be paid vastly different rates if one is an employee of the company while the other works as an employee of a subcontractor. The steady growth of temp agencies in the US reflects corporate America's expanding interest in low-wage and temporary jobs. A Living Wage ordinance can reduce the incentive to outsource through provisions which apply the law to both a company and its subcontractors.

3. Organizing

Living Wage campaigns provide opportunities for the door-to-door, grassroots work that build contacts and

Duluth's Coalition

51 groups

AFSME Local 66
AFSME Local 83
AFSME Local 3558
AFSME Local 3801
Bricklayers and Allied Trades Local 3
Building and Laborers Local 1091
Catholic Diocese of Duluth'
Carpenters Local 361
Churches United in Ministry
Clergy and Laity Concerned
Diamond Tool Retirees Club
Duluth AFL-CIO Central Labor Body
Duluth Area Green Party
Duluth Building & Construction Trades
Duluth Community Action Program
DFL Senate District 7 [Democratic Party]
Duluth Federation of Teachers
Duluth NAACP
Equaysayway
Food not Bombs
Greater Duluth COACT
Harbor View Resident Management Corporation
IBEW Local 31
IBEW Local 242
International Worker's Day Committee
Iron Worker's Day Committee
Iron Workers Local 563
IWW Duluth General Membership Branch
Lake Superior College Faculty Association
Lake Superior College Student Association
Loaves and Fishes
Low Income People Organizing for Power
Minnesota Arrowhead Public Retirees Association
Minnesota Senior Federation
Northeast UniServe MEA/National Educators Association
Operating Engineers Local 49, Retirees
Painters and Allied Trades Local 106
Park Point Community Club
Peace United Church of Christ
Regional Environmental Action League
Sheet Metal Workers Local 10
University of Minnesota Duluth (UMD) Annishinable Club
UMD Black Students Association
UMD College Democrats
UMD Minnesota Public Interest Research Group
UMD Social Workers Student Association
UMD Southeast Asian Student Association
UMD Students for a Democratic Economy
UNITE Local 2440
United Steelworkers of America Local 1028
University Lesbian, Gay, Bisexual Alliance
Women's Transitional Housing

membership among area residents. ACORN, for example, has used Living Wage organizing to reach out to and mobilize its low-income constituency. The New Party has similarly used Living Wage campaigns to build solid neighborhood level political organizations.

As the movement develops, the link between Living Wage activity and union organizing has become ever more clear. As corporate restructuring and union-busting produce falling membership rolls, the US labor movement faces a battle for its very survival. Since John Sweeney's election as President of the AFL-CIO in 1995, the national federation has pushed organizing as its number one priority. Its Union Cities program attempts to transform central labor councils into focal points for union organizing and community mobilization.

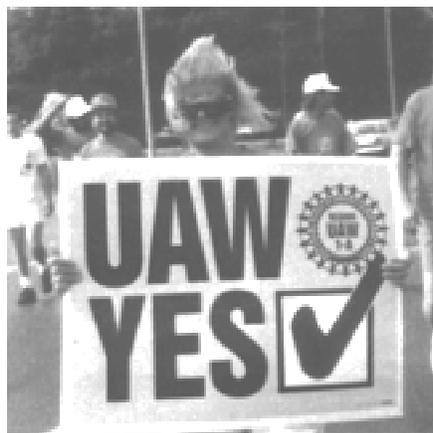
Filtering these priorities throughout the labor movement is a slow ongoing task. During the prosperous decades of the 1950s, 60s, and 70s many unions, especially in heavily unionized sectors, placed far more emphasis on serving their membership than organizing new workers. With the vast majority of the labor movement's resources held by union locals, it is at the grass-roots level that changes must ultimately occur.

While large scale organizing needs greater resources (the AFL-CIO calls on unions to devote 30% of their budget to organizing), it also requires new tactics. While the legal union election process seems democratic on paper, in practice more and more employers turn union elections into terror campaigns. With protections for workers and penalties for employers extremely weak, many companies today engage in tactics which hark back to the bloody battles of the 1930s. Workers can face company spies, emotional and physical harassment, sophisticated anti-union propaganda, and the threat and actual implementation of plant closures. Employers now routinely and illegally fire pro-union workers during organizing drives with impunity.

Defeating management's bag of dirty tricks requires new organizing methods. Part of the solution lies in redefining union drives as community battles, in addition to workplace efforts. If properly conceived, Living Wage campaigns can directly feed into this dimension. The AFL-CIO's Union Cities initiative calls directly for unions to build alliances with community and religious groups and to help develop and articulate broad, people-driven economic strategies. Indeed, Living Wage campaigns in Los Angeles, Detroit, Cleveland, Reading and elsewhere have grown directly out of central labor councils which have signed on to the Union Cities program.

In Alexandria, the Living Wage campaign offers particular unions a channel to organize in the Latino community. With little previous history in this community, these unions have seen their industries go non-union, with employers exploiting unorganized Latino workers. The actual wage increase and the strong resonance of the concepts of a Living Wage and corporate accountability have proven effective for engaging a broader range of folks than those that historically have supported company-specific union organizing campaigns.

The battle for a Living Wage can also support union organizing even more directly. For example, in the process of collecting petition signatures for a ballot initiative, or to show community support in a legislative campaign, activists can target neighborhoods and work places ripe for union organizing. Thus, the campaign not only obtains signatures, but in doing so identifies likely pro-union workers. Even better, a campaign which identifies and involves low-wage workers in volunteer and leadership roles, will generate future union activists. In chapter eight we will profile how the Los Angeles Living Wage campaign linked itself explicitly to union organizing.



Frank White

Organizing the Organized

Organizing efforts can also be directed within an organization. Progressive groups across the country have many more paper members than those who regularly participate in activities. As a compelling and concrete cause, a Living Wage campaign provides a mechanism for activating dormant membership.

The labor movement, for example, has over fifteen million members. Most of these workers, however, simply pay dues. During the golden years of the post-war boom, the labor movement could afford to let their officers and staff drive the union. The members needed only elect and then back up the bargaining team with their ability to strike. In the union-hostile climate of today, however, unions need to involve their members directly in fighting corporate America. Membership mobilization often begins by organizing people to deal with workplace issues. By contrast, involving unions in Living Wage battles offers a channel for activating members with an effort that is generally safe from retaliation by the boss while also immensely positive and rewarding.

4. Economic Development and Urban Revitalization

Living Wage organizing can feed into activists' desire for progressive alternatives to the so-called urban revitalization schemes used by many cities. As described in chapter one, these urban renewal plans are business-driven projects focusing on market-based solutions. They look toward big downtown projects, involve large sums of tax payer give-a-ways, and often have very little positive impact on poor neighborhoods.

Detroit's urban renewal strategy, for example, centers around several empowerment zones in which federal and state funds offer companies tax and other incentives to relocate to the city. The plans involve several controversial projects including new football and baseball stadiums and three casinos. Many groups within the empowerment zones oppose these corporate plans. For them the demand for Living Wage jobs has a very strong resonance.

A Living Wage campaign can raise fundamental questions concerning official development strategies. It brings people together to begin to fight for more people-driven alternatives. In the last chapter we will explore examples of Living Wage campaigns linked to long-term projects to promote a high road, community-driven vision of local development.

In reaction to two decades of economic restructuring, many regional and national groups have made explicit commitments to working on economic justice and democracy agendas. The Gray Panthers, for example, have placed Living Wage and economic justice organizing at the top of their priorities.

Sustainable development groups are also logical allies for Living Wage organizing. The battling against suburban sprawl and farm land loss ultimately involves restructuring regional economies. The vast resources which are currently being used to construct environmentally wasteful and humanly alienating suburbs must be rechannelled into rebuilding the nation's cities. Cities which gather the human population into livable communities with well-defined boundaries are key to an environmentally sustainable future. Living Wage organizing begins the process of reorienting urban development policies toward the sustainable high road. In Portland, for example, groups seeking to redirect regional development have seen the Living Wage as a key component of urban revitalization.

Chicago Jobs and Living Wage Coalition

78 Groups

ACORN
AFGE Local 1395
AFSCME Council 3
Amalgamated Transit Union Local 308
Americans for Democratic Action
Association House
Bakery, Confectionery and Tobacco Workers, Local 1
Bickerdike Redevelopment Corporation
Black Elected Officials of Illinois
Center for Economic Policy Analysis
Center for Neighborhood Technology
Chicago Coalition for the Homeless
Chicago Federation of Labor
Chicago Institute on Urban Poverty, Headland Alliance
Chicago Jobs Council
Chicago Jobs with Justice
Chicago New Party
Coalition of Labor Union Women
Committee for New Priorities
Community Renewal Society
Congressman Bobby Rush
Congressman Danny Davis
Congressman Jesse Jackson Jr.
Congressman Luis Gutierrez
Cook County Clerk David Orr
Council of Religious Leaders
Democratic Socialists of America
Eighth Day Center for Justice
Fireman and Oilers Local 7, SEIU
Homeless on the Move for Equality
Humbolt Park Empowerment Partnership
IBEW Local 134
IBEW Local 1031
IVI-IPO
Illinois Center for Youth Advocacy
Illinois Nurses Association
Illinois Public Action
Illinois State Council of Senior Citizens
United Steelworkers Local 1010
Institute for Economic Justice
Interfaith Committee on Worker Issues
Italian American Labor Council
Jeffrey Manor Community Revitalization Court
Jewish Council on Urban Affairs
Jewish Labor Committee
Kenwood Oakland Community Organization
Labor Coalition on Public Utilities
Lawndale Christian Development Corporation
League of Women Voters
Logan Square Neighborhood Association
Midwest Center for Labor Research
Network 49
Northwest Neighborhood Federation
ONE
Our Lady Gate of Heaven Church
PSEU Local 45
Redmond People Full Gospel Church
Rogers Park Community Action Network
SEIU Local 1
SEIU Local 236
SEIU Local 25
SEIU Local 73
SEIU Local 880
St. Benedict Peace and Justice Committee
State Senator Alice Palmer
State Senator Jesus Garcia
Teamster Joint Council No. 25
Teamster Local 705
Teamster Local 726
Teamster Local 733
Teamster Local 743
UAW Region 4
UE District Council Number 11
UFCW Local 100A
UFCW Local 881
UNITE Chicago and Central State Joint Board
UNITE Midwest Region
Uptown People's Development Corporation

5. Electoral Politics

By shaking up “politics as usual”, Living Wage campaigns can motivate local electoral players. For politicians, for example, a Living Wage ordinance may provide an effective mechanism for distinguishing themselves from their rivals. It can also put existing political leaders on the spot. In Chicago, ACORN, the New Party, and SEIU, among others, sought a city council vote on their original ordinance, knowing it would be voted down, for political base building and mobilizing the electorate against those who voted no. The Chicago Jobs and Living Wage Coalition held over a dozen ward by ward accountability sessions with aldermen before the Living Wage vote to set up their political accountability strategy.

In Montgomery County, Maryland, the local New Party chapter tested candidates on the Living Wage as part of their endorsement process. In Madison, Wisconsin, the Living Wage became a core issue defining local elections. Most candidates have had to take a stance for or against the Living Wage. Indeed, local news coverage includes the Living Wage as one of the key issues candidates are asked to address.

6. Beyond the Fragments

The transformation of U.S. politics has left many progressive groups with a sense of fragmentation and isolation. During the heyday of the post-war era, our political system encouraged groups to focus on their particular issues and pressure the system both from the inside and outside. The rightward drift of American government today, however, has made this kind of interest group politics far less effective. Today, individual groups can ill afford to go it alone.

The desire for greater common cause can take several forms. At a basic level, groups may see the need to gain broader support. Unions, for example, are today confronted with a corporate offensive far stronger than anything

they encountered during the post-war boom. More and more labor leaders see the need to mobilize the broader community to support strikes, mount corporate campaigns, or battle privatization. While community groups may support labor struggles based on the battle’s own merits, unions clearly can approach the community with even greater credibility if they have a track record of involvement in community causes. Living Wage campaigns provides an opportunity for unions to fight directly for community standards.

Researchers Janice Fine and Arnie Graf described the benefits which AFSCME enjoyed due to its Living Wage partnership with the BUILD network of church leaders and members. In a 1998 conference paper they wrote:

Allies are critical for organized labor. In Baltimore, when AFSCME kicked off its collective bargaining campaign for state employees, they had in BUILD churches a new ally that was willing to access its relationships with elected officials, the business community and the governor on their behalf. In addition, support from a respected segment of the clergy community cast the collective bargaining campaign in a moral light as well as a political light. BUILD wouldn’t have risked its political capital with politicians and the business community who had lined up against collective bargaining unless they had come to understand the issue at a gut level and, more importantly, felt as if they had to work alongside a very important ally.

The Living Wage movement can also tap desires for broader progressive alternatives. While the left remains fragmented among different causes, the separate campaigns of conservative groups feed into a comprehensive right-wing agenda.

If the left is ever to move off the defensive and onto the offense, it must generate a pro-active, more encompassing agenda of its own. While focused on a very concrete reform, the Living Wage movement touches upon the basic economic questions facing most communities. Most important, it brings together the groups necessary for developing a broad economic justice and democracy movement.



Newly elected Chicago Alderman Michael Chandler celebrates with New Party supporters

Contributions from Different Sources

In effective coalitions, participants know what is expected of them. Much of this comes simply from careful organizing: having clear plans, running effective meetings, adequate follow up, etc. However, having a sense early on of what different groups can contribute is also helpful. Not every group will be involved in the same way. For example, a two-thousand-member union local will not have the same involvement as the two dozen members of the local peace and justice group. The difference is not just one of scale, however. The following lists common contributions made by various coalition partners:

Material Resources — contributions can come either in the form of fundraising or service in kind.

Volunteer Power — campaigns need people for events, lobbying, and door to door organizing.

Political Connections — campaigns need to have champions among elected officials who will not only support the Living Wage, but actively lead the fight within the halls of government.

In addition, campaigns can benefit immensely from groups and individuals with experience using the often bewildering legislative process, and who have connections to and knowledge of elected officials.

Coalition Contacts — some groups have the reputation or influence such that once they are involved, even if only on paper, they can open the door for other groups to join the campaign. Key endorsements can make a campaign appear credible and winnable. For a campaign launched by activists from community groups, for example, winning the involvement of a single labor leader with credibility within the labor movement can prove the key step toward greater labor buy in and a broader based campaign.

Authority — some groups and individuals have special notoriety in the community. These figures may not necessarily be involved in the day-to-day work of the campaign, but can prove enormously helpful when, at key moments, they hold a press conference or testify on behalf of the campaign, for example. Such individuals can include the leadership of a large, respected church or a well-known former elected official.



Knowledge — we will discuss a campaign's research needs in chapter six. However, some groups can provide key information. For example, while a non-profit food pantry may face restrictions on its political involvement, its help in identifying clients who have full-time jobs that can provide key stories to encapsulate the campaign's message. Sympathetic city council-persons or their staff can be enormously helpful with finding, accessing, and sorting out data on budgets, contracts, and tax abatements.

Neutrality — the least obvious contribution an individual or group can make is to not actively oppose the campaign. An influential, yet relatively conservative or narrow-minded labor leader, clergy, non-profit director, small business person, or politician, for example, can seriously hurt a campaign through bad publicity or if their credibility among local groups splits the coalition. Contacting such groups and individuals early on can save far greater effort and hardship in the long run. By providing these people with a sense that the campaign is not being organized behind their backs and that their status had been recognized, activists avoid problems down the road. Campaigns have also actively sought out individuals and groups that the business opposition is likely to recruit in order to reach these people first, and either neutralize them or even gain some level of support.

Any visible support from area business is especially helpful in the public relations battle. High-wage employers can directly benefit from a Living Wage law since it reduces the prospect of low-wage competition. Small businesses are generally exempted by many ordinances' thresholds. Campaigns which get to these people before the Chamber of Commerce have much to gain.

Similarly, local mayors have played a key role in most campaigns. Indeed, obtaining their neutrality, even if it comes only from the threat of the city council overriding their veto, has proven a crucial turning point in several campaigns. In both St. Paul and Denver, the campaigns succeeded in organizing small business supporters. They staged a press conference where these business owners expressed their reasons for supporting a Living Wage ordinance.



St. Paul council OKs living-wage policy
Firms that get more than \$100,000 in city money affected

Size Does Not Always Equal Contribution

The groups that make the greatest contribution may not necessarily be the largest or most powerful. Whether or not a several-hundred-member union local, for example, provides volunteer energy depends on the extent to which it has developed its capacity to mobilize its members. Some unions, such as Service Employees International Union, have fostered an internal organizing internal culture in which they continuously activate their membership. They may be able to turn out members by the busload. Some unions may have only started on the path to membership mobilization, while many others may still operate in a traditional service mode.

In Washtenaw County, the local chapter of the Labor Party had only half a dozen active members. However, all of these dedicated themselves to the Living Wage campaign — giving the Labor Party a major role in launching the local effort. Similarly, the local Lawyers Guild contributed only a few people. However, these figures provided key legal and research support. The campaign benefited by the Guild's and Gray Panthers' reputation as credible groups known for mounting serious local undertakings.

Getting Started

The process of forming any coalition always has a formal and informal side. Formally, notices are sent out and official meetings held. However, the key to building a campaign lies often in the more informal people to people contacts. The most effective way of gaining people's interest is to have them contacted by someone they know and respect. Even without a personal relationship, individual contact becomes important to explain the basics of the campaign and to identify a group's interests and concerns.

The process of building on personal connections can begin quite modestly. The Washtenaw County campaign began with three rather small groups: the Labor Party, the Lawyers Guild, and the

Gray Panthers. Each independently began thinking about the possibilities of a local Living Wage effort. A few people in each group knew people in the other groups, so that they were able to call a joint meeting. Two participants also had contacts to bring in what proved to be two key individuals for pulling together labor support: the head of the local university's Labor Studies program and a staff person from the regional office of the UAW. Out of this initial meeting came more people with additional contacts. Over time, the network of just a few initial organizers grew into a solid labor and community campaign coalition.

Tips for Building a Coalition

Listen First

Every organization or group has a core set of concerns and activities. Effective coalition building encourages groups to see the local living wage campaign as a way of furthering their own aims, rather than an additional or even competing project. Therefore, the first step in approaching a group is not to explain your campaign, but to find out how the groups define their issues and activities. This way you can describe your campaign precisely in terms which demonstrate how a living wage effort will advance their existing agenda.

Keep Records

While informal people-to-people contacts are key to building an effort, they do not always leave a paper trail. Once a campaign gets underway and people begin to come and go from meetings, it is easy for organizers to lose track of who has been contacted and where each group is in relation to the campaign. The sheet at the end of this chapter provides a sample of basic record keeping.

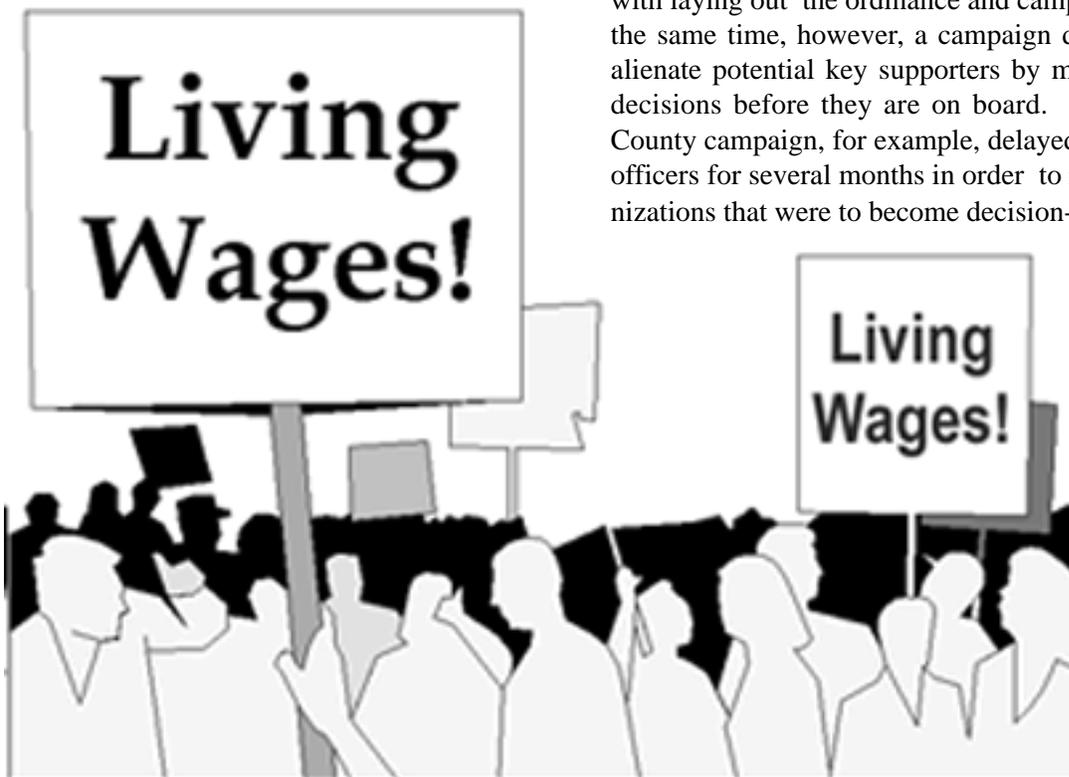
Coalition Building Takes Time

Campaigns have spent anywhere from six-months to a year or more building their coalition and developing a strategy. Organizers seek not only to get a group's formal endorsement, but their active involvement as well. Cultivating deeper participation, complete with major commitments of people and money, involves a continual process.

One way of deepening a group's commitment to a campaign is to directly contact the group's membership and activists in addition to its formal leadership. Campaigns, for example, have sent speakers to a group's membership meetings, followed up with regular updates, placed living wage stories and announcements in a group's newsletter, and provided channels for individuals to join and participate in the campaign.

Although efforts to pull together an initial core coalition are most intense at a campaign's beginning, coalition building is a never-ending process. Campaigns should be prepared to always be expanding their coalition and deepening groups' participation.

Organizers may have to grapple with trade-offs of timing. Groups involved early on may want to get on with laying out the ordinance and campaign details. At the same time, however, a campaign does not want to alienate potential key supporters by making important decisions before they are on board. The Washtenaw County campaign, for example, delayed electing formal officers for several months in order to recruit key organizations that were to become decision-makers.



Start Out Where You Want to End Up

Any grassroots effort should ideally begin with an organizing committee or core group that is representative of all the kinds of groups and individuals that the campaign ultimately wants to join. In particular, any campaign should have three major legs: labor, community groups, and the religious community.

Key decisions about strategy and ordinance design should wait until this core has been formed. A coalition campaign becomes the property of a small group if such decisions are made prematurely. Old-style labor-community coalitions, for example, typically began with a union or group of unions developing a plan of action and then going to the community and asking for support.

A coalition does not have to rush into drafting a detailed ordinance. Developing a broad set of principles can serve a campaign well through the coalition building and early lobbying process. We have included, in the appendix, the five point principles being used by the Denver campaign.

Race

Activists organizing in this country must pay special attention to race. While progressive activism has a long history of crossing racial divisions, it also has ample cases where organizing founders on race. Indeed, a local living wage campaign may bring together groups, such as the building trades unions and civil rights organizations which, depending on past history, may have confronted each other from opposite sides.

A Living Wage campaign can not be seen as the project of white progressives. While there are no magical formulas for building a multi-racial coalition, to succeed activists must make racial inclusion a top priority from the first days of organizing.

Include Your Low-Wage Constituency

Campaigns can benefit by fostering active participation from workers likely to be affected by the Living Wage ordinance. This is more easily said than done, however. Workers who speak out can suffer consequences. Identi-

fying and drawing into the campaign constituency organizations in the community that include affected workers is a good place to start. “Affected workers” may include both those currently working on city service contracts that stand to be renewed and employees of contractors bidding on city contracts. In cities where the ordinance includes local hiring or labor-friendly provisions, the universe of “potential affected workers” extends to anyone looking for a job, a better job, or the benefits of a union.

Pay Attention to Social Dynamics

Human beings are social beings. While the main purpose of a campaign’s meetings are to get the key tasks done, organizers should pay attention to the social interactions within the room. Are some individuals or groups speaking more than others? Are some groups or individuals completely silent? For people to feel genuine ownership of the campaign they need to substantially be involved in discussion and activities. Breaking large meetings into smaller brain-storming groups is one of several ways to draw out everyone’s ideas and participation. Other common methods include: asking for comments from those who have not yet spoken, visiting or calling individual coalition members between meetings to get their feedback, prioritizing those who have not raised their hand before, and facilitating discussions with racial and gender balances in mind.

Similarly, organizers should notice the social dynamics before and after meetings. Are there groups or individuals standing by themselves looking rather lonely? While intellectually individuals may base their activism on the strength of the cause, the concrete friendships and sense of personal connection that comes from collective action is often what sustains people’s involvement and sacrifice. Campaigns can benefit by encouraging this natural process. For example, one or two organizers can take responsibility before and after a meeting for making sure that any new faces have been personally greeted and made to feel welcome.



Fighting for a Living Wage in Madison, WI

Effective Meetings

Well run meetings can energize a campaign and bring people closer together. Poorly run meetings can drive people away. A Living Wage campaign should be able to draw upon the rich experience of its members to develop effective meetings. The basic ingredients are obvious: a clear and focused agenda, skilled facilitation with clear rules, and enough opportunity for free and open discussion.

A key dilemma is balancing the need to stay focused and organized, while at the same time creating an atmosphere that encourages participation. Facilitators will need to juggle enough formal process and rules to maintain meeting effectiveness with enough informality and consensus decision-making to generate energy and enthusiasm. The task is made all the more difficult because, as we will detail below, labor and community groups are often used to different meeting styles and decision-making procedures. Periodic reviews of past meeting dynamics, and soliciting feedback from participants, provides the best path toward developing effective meetings.

Ordinance Structure

What goes into a living wage ordinance is both shaped by and can shape your coalition. Local hiring provisions or union organizing handles can prove central provisions for certain key players. When formulating an ordinance, however, the coalition should be clear on what are the core components that the campaign will fight for and what are not. Campaigns have lost coalition members during legislative negotiations when provisions key to some groups, but not to others, were traded off. A similar dan-

ger exists once an ordinance become law. As chapter eight explains the fight for implementation can be just as involved as the campaign to get the law in the first place. A coalition which secures certain legal provisions, but which does not have the capacity or commitment to fight for enforcing them risks internal friction and disappointment.

Identify Key Players

While Living Wage campaigns boast long lists of coalition endorsers, as with any grassroots organizing, some individuals and groups will contribute far more than others. For any campaign to succeed, it needs a smaller core of key players who not only make major contributions of time and energy, but who take on the responsibility for making sure that things happen.

For the Washtenaw County campaign, the initial key players came from half a dozen self-motivated individuals who took it upon themselves to systematically reach out and bring other groups into the coalition. In Chicago the key players included such organizations as ACORN, the Chicago Coalition for the Homeless, a network of neighborhood groups, the Interfaith Committee on Worker Issues, and several union locals including SEIU Local 880, Teamsters, AFSCME, UFCW. Many of these groups dedicated staff time to the campaign.



Activists call for 'living wage'

Establishing the Three Legs of Living Wage Organizing

Churches



While Living Wage campaigns are a natural for many progressive churches, they can also pull in broad religious support. Key ingredients to making an effective pitch include knowing what's going on in the church's community and the kinds of charity work in which they engage. Having replies to how your ordinance will effect small and/or minority owned business may prove helpful preparation. Stress that higher wages benefit local business and increase financial support for local churches. Coalition members who attend local churches provide the most effective connections to churches. Campaigns need to keep in mind that churches do run social service programs (day care centers, homeless shelters, etc.) that may receive public grants and thus may be covered by the Living Wage. The campaign's research should look to identify such possibilities so that the coalition can decide how to handle them.

Churches can provide special support in several ways. They can highlight the basic moral issues behind the Living Wage. Churches have sent very effective letters to elected officials. Religious leaders have also held Living Wage Sundays in which the campaign is highlighted from the pulpit, information appears in church bulletins, and parishioners sign Living Wage cards. Church social justice groups have mobilized volunteers. In 1996, religious leaders in Denver, for example, held a press conference to support a Living Wage campaign inside a local church. A priest from one of the supporting churches provided a picture and a quote for a campaign flyer and his church hosted AFL-CIO Vice President Linda Chavez Thompson who spoke in favor of the campaign during a church service. The National Interfaith Committee on Worker Issues may have a chapter in your area or be able to provide help (see appendix).

Community groups

While community groups come in many shapes and sizes, they are an essential component of any living wage campaign. Depending on their structure, purpose and experience, they may be more or less helpful in your coalition. Like religious groups, community groups can help establish the moral authority for your living wage arguments, bring a local focus, and impress upon elected officials the campaign's broad-based support, while blunting the opposition's claim that these campaigns are only at the behest of "Big Labor".

For the purposes of building a coalition, think broadly to include community institutions like schools and parent groups, civic associations and neighborhood groups,

women's centers, student groups at local high schools and colleges, democratic clubs, and even social service providers like food pantries, homeless shelters and neighborhood health centers. Don't forget housing and environmental groups, gay and lesbian rights groups, tax justice groups, and local chapters of national advocacy groups like the Gray Panthers, Urban League, NAACP, NOW, Citizen Action, etc.

Look for the particular benefits of community groups with a membership base that can be mobilized. Grassroots organizing-focused community organizations that work among your low income/low wage constituency have proven most helpful. With members that live in the neighborhoods and community organizers on staff, groups like ACORN bring experience on a range of issues and public campaigns and can organize street systems (petitioning, flyering, door knocking), identify speakers to testify, turn members out for events, and provide neighborhood-based constituency pressure on elected officials.

Unions

A vast diversity in levels of activism exists among local unions. They also differ widely in their financial and staff resources. The best people to contact unions are other labor leaders. They will have a sense both of the best arguments as well as the potential land mines of local union politics. The labor movement is organized at several levels. Unions will have both local and regional organizations. Some of these, but not always all, will belong to the local central labor council and to the state AFL-CIO federation. As political bodies these organization often, but not always, lean toward the living wage.



In seeking to mobilize union numbers, a campaign should be prepared to counter the often made complaint by union leadership that their membership is apathetic and inactive. Among unions tied to a tradition servicing model, this seeming apathy may simply reflect the fact that outside of asking people to come to sparsely attended union meetings, the local has not developed active channels for people to be involved. A Living Wage campaign can provide locals opportunities for internal organizing — for getting union activists talking one-on-one with the membership in the workplace.

Don't forget labor organizations other than formal unions. Local chapters of Jobs With Justice have provided Living Wage leadership. A number of constituency organizations belong to the AFL-CIO including the A. Phillip Randolph Institute (African Americans), Pride at Work (Gay, Lesbian, Bisexual), Coalition of Labor Union Women, Asian Pacific American Labor Alliance, Coalition of Black Trade Unionists.

Business People for a Living Wage

While opponents may act as if the entire business community is united in its opposition to the living wage, in fact the number of business people actively opposed may be quite small. Do not let this small group speak for all business. Indeed, with a little outreach you may be able to find some local businesses willing to endorse the living wage, speak out at a council hearing, send a letter to the editor, or talk to a reporter. Possible candidates for such support include small businesses whose owner's progressive politics favor the living wage, firms that have chosen to pay higher wages as a business strategy, and unionized firms with productive bargaining relationships.

United For a Fair Economy's Responsible Wealth project organizes wealthy people interested in supporting progressive change. They recently pulled together a report entitled "Choosing the High Road: Businesses that Pay a Living Wage and Prosper." The report profiles six business owners who pay a living wage as part of their competitive strategy (three are summarized to the right). It lists over one hundred owners and investors who have joined United For A Fair Economy's Business Leaders and Investors for a Living Wage campaign.

The report also details why a living wage makes sense from a business perspective and dispels the common myths raised by business opponents. By paying higher wages companies attract more qualified employees who are more productive and require less supervision. Higher wages also lower turnover and absenteeism leading to less costs for recruitment and training. Better-paid employees also build better products and deliver better services. In 1999, Bliss & Associates and Gately Consulting developed a method to accurately measure the precise cost to business of employee turnover. They determined that turnover costs are at least 150 percent of an employee's base salary. Thus, in retail shopping, for example, where employee turnover is nearly 75 percent a year, a company of 40 employees who provides \$15,000 a year base pay would suffer \$675,000 of costs annually in recruitment, training, and lost productivity!

Responsible Wealth

Responsible Wealth has recruited a growing network of 85 business owners who have signed their Living Wage Covenant.

Contact: Responsible Wealth
at United For a Fair Economy 617-423-2148
www.responsiblewealth.org

Small Business Campaigns for Higher Wages



from Choosing the High Road

During the successful 1998 ballot campaign to raise Washington State's minimum wage, Krishna Fells (pictured left) organized "Small Business Owners of Washington State." This 100-plus group worked to support the ballot campaign by meeting with state legislatures, persuading the Seattle Rotary Club and the International Rotary Club to support the initiative, and educating fellow business people about the costs of NOT raising the minimum wage.

Living Wage Janitors

Urban Works is an employee-owned contract cleaning company that paid what the Philadelphia living wage campaign was proposing--\$7.90 an hour plus benefits. With this amount at least a dollar above the local industry standard, Urban Works was seldom the lowest bidder. However, the company found that once it wins a contract, their superior performance helps them retain customers in an industry known for high contract turnover.



from Choosing the High Road

Higher Wage Temps

The temporary employment industry is known for lower wages and bad treatment of employees. Hermanson's Employment Services was founded in 1980 to provide an alternative in the San Francisco area. By keeping overhead low, the company was able to pay temporary office workers \$2-4 an hour above the norm, while keeping billing rates competitive. This higher pay allows Hermanson's to use word of mouth, rather than a marketing department and advertising budget, to attract workers and work. CEO Barry Hermanson was co-chair of the San Francisco Living Wage Coalition.

Coalition Structure

The best coalition structure will maximize participation while ensuring a good level of coherence and direction. This task can be far easier said than done. Less defined, more informal, and more decentralized structures do not automatically equate with greater democracy. Campaigns whose general membership meetings seem to wander aimlessly — leaving participants with little sense of closure or accomplishment — will lose support. Organizations that do not raise and settle key strategy questions through clear decision-making procedures risk encouraging factionalism and in-fighting. Ongoing efforts to recruit new leadership and to delegate tasks and responsibility are as important as open decision-making procedures in fostering wide spread involvement in your campaign.

Bringing Labor and Community Together

As labor-community coalitions, Living Wage campaigns bring together organizations with different operating methods. Community groups tend to make decisions more informally using consensus building. Their leadership can come from whom ever is most active. They often focus on a single issue. Community groups typically rely upon people's direct action. Their activity tends to be less bound by formal procedures and rules.

Unions, by contrast, commonly run their meetings using formal parliamentary procedures — Roberts Rules of Order. They have a formal elected leadership usually paid full or part-time. Their activities are bound by formal collective bargaining procedures and state and federal laws. Like many other groups, they also have a wide variety of responsibilities which must be balanced against their commitment to the Living Wage campaign.

These organizational differences can impact a campaign in a variety of ways. For example, the differences may be noticeable at general meetings when the community activists attempt to discuss an issue informally while the union members are making formal motions, calling the question, etc. Therefore, campaigns need to develop meeting procedures with which all are comfortable. For people not familiar with Roberts Rules of Order, parliamentary procedures can seem overly bureaucratic and rigid. At the same time, consensus decision-making may seem unstructured and aimless for someone used to a union meeting.

The differences in scale and types of resources each group brings to the table also can create difficulties. Some organizations will make vastly greater financial commitments to the campaign than others. Does this qualify them for a greater say in decision-making? Similarly, some organizations will turn out the volunteers while others may provide political clout. The answers to balancing contrasting contributions depends upon each campaign's local situation. The questions of such balances, however, need to be dealt with up front.

Endorsements and Membership

The building blocks for a Living Wage effort come from recruiting organizations. Activists should try to obtain a group's formal endorsement. However, translating this paper support into on-the-ground action is typically a far greater challenge. Some groups may leap into action of their own accord. Others require systematic guidance and follow-up. We have already offered several tips for moving the latter in this chapter. Campaigns have to prioritize which groups they want to move from formal endorsement to grassroots action.

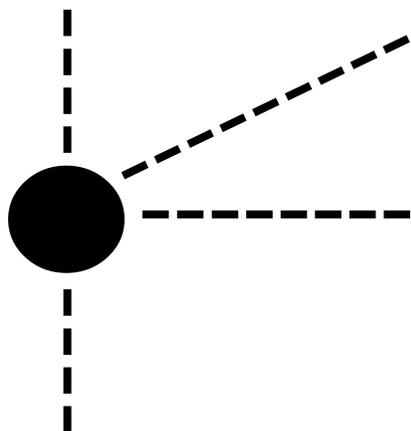
While organized groups form the core of the coalition, some campaigns have also included channels for individual participation. If the campaign aims to develop community capacity, organizers should specially consider developing clear channels for individuals to either join organizations participating in the campaign or join the campaign directly. Some campaigns have established formal individual membership complete with set individual financial contributions or time commitments.

Formal Structure

A general structure for Living Wage coalitions can operate at four levels:

1. General Meetings — decide and finalize major policy decisions. They also provide a forum for sharing information about the campaign and raising new issues. They are open to everyone. Typically they meet no more than once a month.

3. Officers — provide responsibility for key tasks and clear spokespeople for the outside world. Campaigns typically develop either a president and vice-president or co-chairs who facilitate at meetings, provide a final source of responsibility, and serve as the default media contact. Other officers include a treasurer and a recording secretary.



4. Task forces — provide a mechanism for assigning collective responsibility for key tasks. Early in the campaign, activists should establish a research task force. Other task forces could include: media outreach, speakers bureau, target outreach to the religious community, labor, etc., and planning for specific public campaign activities.

2. Steering Committee — provides the core leadership of the campaign. It not only sets the formal agenda, but develops policy questions into formats digestible at general meetings. The steering committee typically does much of the coalition-building. It is responsible for most immediate decisions. Generally, this group will meet once every week or two weeks depending on the stage of the campaign.

A campaign not only needs effective leadership, but can use steering membership to pull in and formalize key groups' commitment to the campaign. More organizations with representatives on the committee potentially means more groups with a direct sense of ownership of the campaign. At the same time, the committee must be small enough to function effectively.

Some campaigns have simply left their steering committee open — encouraging organizations to send a representative. The composition of the committee develops informally based on the groups and individuals most active. However, other campaigns have developed more formal membership rules. In Chicago, for example, the coalition required an initial contribution of \$1,000 and the ability to turn out a bus load of people as the prerequisite for steering committee representation. This rule ensured a steering committee made up of organizations with a clear commitment to the campaign. It also kept out small, sectarian groups known for disrupting local campaigns by imposing their own agenda.

The Western Pennsylvania campaign followed the Chicago example, but with a more open definition of commitment. Their steering committee is open to all organizations which have made a “significant contribution of resources appropriate to their size.” Thus, a small 200 member union may contribute \$100 a month while a much larger local may offer \$1,000. Some organizations may provide serious financing, while others may turnout significant numbers of volunteers.



Don't Waste the Larger Group's Time on Technical Details

While a good decision-making structure is important and helps avoid conflicts down the road, campaigns should not focus the general group's energy on organizational details. There is nothing more likely to drive away interested supporters than to spend significant general meeting time debating by-laws and formal rules. Let the people most concerned with the process work out any necessary details. Keep it simple and focus group discussions on the major structural issues.

Popular Economics

Many groups and individuals that join living wage campaigns want to raise a debate about the economic reality facing working people. All the media hoopla about "unprecedented prosperity" obscures the true story, namely that most Americans have seen their incomes stagnate or fall while the rich have gotten ever richer. Several campaigns have incorporated into their coalition building some form of popular education program that fosters grassroots discussions about economic realities.

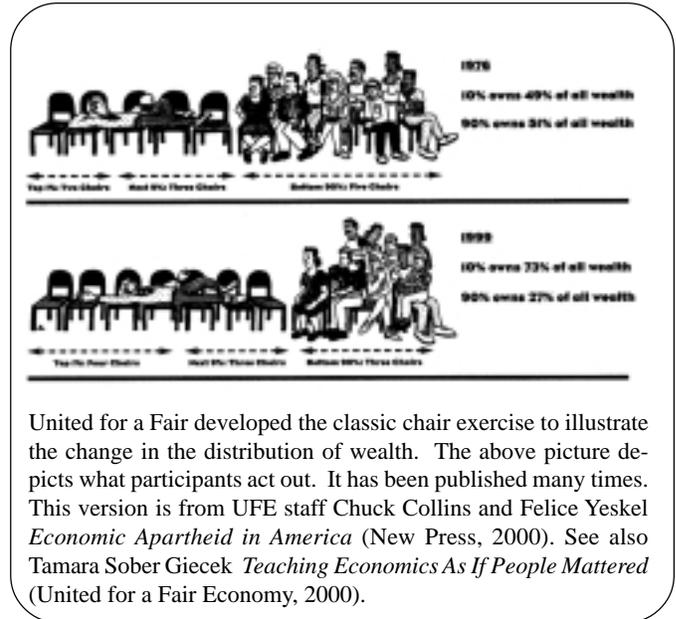
Popular education moves away from the lecture and "talking head" presentation methods common in traditional education and speaker formats. Studies show that while people only retain about a fifth of what they hear and two-fifths of what they see and hear; they retain most of what they see, hear, and do. Popular education focuses on experience. Participants draw on their own knowledge and life experience. And in the course of a session they participate in group activities that provide them a personal experience that they will retain.

Below are examples of popular education programs used by three campaigns.

Western Pennsylvania

The Western Pennsylvania Living Wage Campaign developed a half-hour interactive workshop for use in a wide variety of settings. The curriculum briefly touched upon the macro economic reality of growing wealth inequality in America, local manifestations of this pattern, and concrete steps of what people can do about it. The workshops start with a ten chair exercise developed by United for A Fair Economy. Ten volunteers represent 10 percent of the population. Participants occupy chairs based upon the distribution of wealth. For 1976, one person lays across five chairs, while the other nine cram around the remaining five. As the distribution moves into the present day, the one person must stretch out to occupy seven chairs, while the remaining nine are scrambling not to hit the floor. The facilitator then follows up the exercise with a brief interactive presentation using a series of charts and graphs showing CEO pay, job losses, income gains and losses, taxes, and other grassroots realities.

To get the workshop out into the community, the campaign held several two-hour training sessions to prepare



over 200 volunteers to conduct the curriculum. Trainers took volunteers through the workshop and then discussed basic facilitation techniques and the living wage campaign. By the fall of 2000, over 5,000 people had participated in a workshop in such settings as high schools, union meetings, Democratic Party committees, church groups, etc. The workshop's short time frame was designed so that it could fit in as part of an agenda item in a larger meeting or gathering. For more information contact: Alliance for Progressive Action, P.O. Box 5294, Pittsburgh, PA 15206; 412-363-6610; <http://trfn.clph.org/alliance>.

Vermont

Activists designed their livable wage workshop to fit one hour to two-hour formats. One of the workshop's centerpieces is a basic budget exercise. Participants are given a sheet with a particular family situation (for example: single parent, full-time job, one child, employer covers only 2/3 of health expenses). They then work in groups to fill out a basic monthly budget for food, rent, transportation, childcare, health care, clothes, etc. Taxes are added and these figures are then converted into hourly and annual amounts. By showing the group the actual estimated budget numbers and the actual income offered by jobs in Vermont, the facilitator can spark a discussion which highlights the gap between human needs and what employers

provide. The fact that many do not earn enough to cover a basic budget also leads participants to wonder and brainstorm how such families get by every day. Like Western Pennsylvania, the workshop includes basic information on the structural economic issues in Vermont, the nation, and the globe. Participants end the sessions discussing concrete steps for action.

As in Pennsylvania, the Vermont campaign has trained volunteers in using the materials. Organizers have developed a facilitator's manual explaining the workshops. For more information contact: Peace and Justice Center, 21 Church St, Burlington, VT, 05401; 802-863-2345; www.vtlivablewage.org

Rhode Island

Activists in Rhode Island have developed an interactive presentation that covers the heart of living wage economics in twenty minutes to half an hour. After describing the living wage ordinance, the facilitator asks participants to identify who would benefit from the law. As such beneficiaries as contract workers and workers at subsidized companies are named, the facilitator has a volunteer take on a badge representing that worker and provides them several balls which represent money (the balls used literally have bills printed on them). The facilitator asks volunteers to describe how the living wage gains effect them. As the beneficiaries increase, the balls start traveling around the room. The small business person gets several as the workers spend their raises. They then toss the balls to several new workers whom they hire. More balls go to local government through taxes, which in turn gets spent on community needs. By acting the roles, participants gain experiential insight into the abstract concepts of the multiplier effect and the broad reach of wage gains. Using similar interactive techniques, the campaign has been able to discuss other items included in their living wage law such as affirmative action, local hiring provisions, non-discrimination against people with prison records, and labor peace requirements.

For more information contact: Sara Mersha at Direct Action for Rights and Equality (DARE) in Providence, Rhode Island, (401)-351-6960; [sara_dare@hotmail](mailto:sara_dare@hotmail.com)

Support for Popular Economics Education

The below organizations both develop materials and help groups conduct workshops around popular education.



United for a Fair Economy
37 Temple Place, 5th Floor
Boston, MA 02111
617-423-2148
www.ufenet.org

Offers a wide range of publications and materials. Their high school curriculum, *Teaching Economics As If People Mattered*, provides a wealth of charts and interactive exercises.



Center for Popular Economics
PO Box 785
Amherst, MA 01004-0785
413-545-0743
www.ctrpopec.org

Develops popular education materials including *The Ultimate Field Guide to the U.S. Economy* published by The New Press. The Center also maintains a network of over sixty economists throughout the country capable experienced in teaching economic using popular education methods.

Chapter Six

Research

The prospect of conducting Living Wage research may appear intimidating. The city budget process and especially the maze of financial assistance programs can seem quite mysterious. Indeed, as we will discuss below, even those working for local government may not understand all that is involved. However, with a little background on where to go and what to ask for, Living Wage research can become relatively easy and straight forward.

How Much Research Do You Need?

Later in the chapter we will examine studies which estimate in job numbers and dollar amounts the impact of a Living Wage ordinance. Exact statistical “proof” of a Living Wage law’s impact is not possible, however. Local governments typically do not document the wages, benefits, and employment levels tied to their contracts and financial assistance. Furthermore, the way in which local employers will react to Living Wage requirements is ultimately speculation. And the spin off effects of higher wages on other employers, workers, and consumer demand are all variables that can only be estimated, not proved. Thankfully, most Living Wage have been successful simply by relying upon enough research to make a compelling case. The evidence needed includes the following:

1. Testimony on the problem of poverty wages

— should take the form of basic statistical information on local poverty and wage levels as well as compelling accounts from low-wage workers and human service professionals who interact with working poor. This information should be accompanied by facts on the local cost of living -- such as a basic needs budget for different family sizes in the area or state. Often such a budget may already have been done by local poverty groups.

2. Facts on what has happened elsewhere

— this guide contains all the information you need to make a compelling case for the benefits demonstrated by Living Wage laws enacted across the country.

3. Some overall sense of the scales involved

— the overall numbers for the city budget and examples of the size of tax breaks and other financial assistance



will help the campaign provide a broader perspective to counter the opposition’s dire predictions of tax increases and job loss. These figures also make clear that companies benefit from large amounts of public money. They ought to be required to meet community standards in return.

4. “Poster child” cases

— you need to find a small number of well documented cases in which wealthy companies have received public money only to pay poverty wages. The appendix includes the examples developed by several campaigns. Ideally, for at least some of these examples you want to have a human face — low-wage workers that can explain how poverty wages and life at their employer has impacted their lives. Nothing sends a more powerful message than the physical and mental picture of a hard working person who has dedicated years of sacrifice to a company which keeps them in poverty. Testimonial also provides excellent media material. In Los Angeles, for example, the campaign received several favorable news pieces in which low-wage workers told their stories. Such coverage was not accidental. The campaign had researched the companies, identified several workers willing to talk to the media, and then gone to reporters with the story largely already written for them.

Where to Go and What to Ask for

The key to getting good and timely information is knowing what to ask for. The more specific your requests, the less run-around you are likely to experience. Ideally, your research channels should be able to provide information relatively informally. However, the side bar provides a brief guide to conducting formal Freedom Of Information Act (FOIA) requests. While related, researching contacts and economic development aid in each involving particular details.

General Tips

First, all living wage campaign research should be consciously guided by the goal you are trying to achieve. This may differ from campaign to campaign and at different points in the campaign. Keep asking yourself: What is the goal? Are you trying to do enough research to find a good company to target for a public demonstration? To build a list of potential low-wage employers to prove to council there's a problem? Identify potentially-covered workers to organize? To get as much information as possible about who gets city money and what they pay in order to do an impact analysis of who would be affected by the ordinance? Your answer to these questions should guide your research.

Second, it's important to recognize that all cities organize and administer information on contracts and other financial assistance differently. Therefore, while we have attempted to provide some general guidance below, you should commit yourself to figuring out how your own city works. You should prepare to be aggressive in your research and to clarify what you don't understand. Often, even when you have been very clear beforehand about the information you are seeking, the city department that fulfills the request will send it to you in a form you can't completely decipher. In these cases, it is critical that you call immediately and request clarification of the information you have received. Do not hesitate to ask again the exact question you are trying to answer. For each type of information you seek, you should either be able to clearly state what it is you set out to understand — or clearly state why it is that the questions can't be answered. (For instance: "According to the City Auditor, last year alone, the city of Denver spent a total of \$167 million on contracts with private businesses to provide public goods and services. Despite this huge budget expenditure, there is no city department or central source for information regarding job creation, wage rates paid or benefits provided to employees on these contracts.")

Because living wage research is designed to demonstrate that there is a need for the city to set standards it currently does not require, your research should also clearly document failures on the part of the city to collect the data you are seeking. In other words, document what you cannot get from the city — either because they refuse to provide the information or because, more commonly, they just don't care enough to require the information from businesses in the first place (Luckily, this is not difficult, since most cities collect very little information on things such as job creation and wage rates paid). When

Freedom of Information Act Requests

Under the law you have the right to access public documents. The appendix includes a sample request and guidelines for using the Federal Freedom of Information Act. Note, that the specifics on the name of the local provisions, time lines, and procedures do vary by each state. The key is be as specific as possible and to determine before hand the department which has the information so your request goes right to the appropriate authorities.

elected officials and/or city bureaucrats argue that the programs and policies they have in place are sufficient -- making a living wage measure entirely unnecessary -- this information becomes critical to provide evidence to the contrary. This angle also comes in handy when public expenditures are justified on the basis of some unquantified net gain to the city. For example, in Philadelphia, rampant tax abatements are justified on the basis of a supposed increase in the tax base. When asked, however, the city admits that such an increase has never been quantified. At a basic level, this kind of "researching what is not there" helps reveal the city's real priorities: If the city was really interested in insuring that tax dollars were put to use creating family-supporting jobs for residents, they would keep records allowing them to assess their effectiveness in doing so.

Contracts

In order to begin piecing together just what companies are getting lucrative city contracts, you'll want to get a hold of a master list of all current city/county contracts with private vendors. In most cities, this is a list that is possible to get — and should be available from a central location (Warning: Many city departments are not familiar with this list — or know that it would take some work to assemble — and therefore may try to convince you that this information is not available or that you have to go to each individual city/county department to get a separate contract list.) NOTE: Knowing an elected official and having them request it directly is quite effective.

Before ever sending any request in writing, you should call around and find out which city or county department can fulfill your request. Unless you are told

otherwise by informed staff, all information requests should be addressed to the top official in that department, and copied to any other staff person you found useful. A sample letter requesting contract information is included in the appendix.

While every city or county may have a different name for their primary contracting department, they are often named “contract compliance” or “contract administration” or something. Other department names that have given contract lists to living wage researchers include: City Auditor, City Solicitor/Attorney, Procurement Department, Department of Finance and Administration, Purchasing, etc. Remember, your best bet is to just flat out ask for exactly what you want: i.e. “I need a complete list of all the current non-construction service contracts with the city... Which city department could provide me with this?”

You should be clear what types of contracts you are interested in. Cities can do a lot of contracting and for very different things — from supplies such as man-hole covers and office supplies to lawyers and auditors to mental health and alcohol and drug abuse services to garbage pick up and security services, etc. Therefore, cities or counties often administer contract types separately and divide them into categories such as “service contracts” versus “supply and equipment”. Note that “service contracts” may be further broken down into “professional” (which may be lawyers, accountants or even social service type contracts) versus other service categories such as parking lot attendants or food service. In other cases, they may all be lumped together. You need to ask what contracts are listed where and request that they separate out the contracts in which you are interested, if possible.

In many cases, campaigns have considered and enacted ordinances that limit contract coverage to only those contracts worth over a certain dollar amount. Any such threshold you choose should be based on some knowledge of the average contract size in your city or county — or specifically for the contracts tied to the job categories you’re interested in targeting for higher wages. If you already have some basic knowledge (through unions, conversations with city staff, procurement bulletins, etc.) of average contract size, you can limit your request here to contracts over a determined dollar amount. If you have no idea, the list you are requesting itself will

be a good measure by which to determine a threshold to propose for the ordinance, if any.

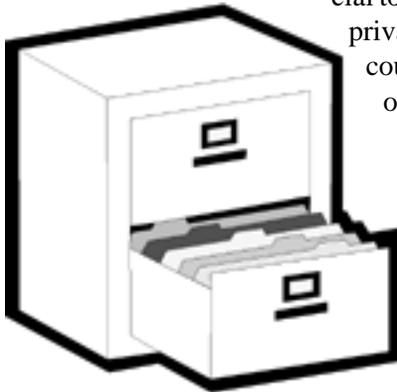
Once you get the list, you’ll want to identify some large contracts that look potentially low wage. While on rare occasions wage information will appear in local contract agreements (you should ask if they do and then check some out yourself), most likely you’ll be left with the task of investigating wage rates through other means: calls to the relevant unions, cold calls to the contracting companies, conversations with city staff (some know this stuff, others proudly do not), or using available data on average industry wages to estimate.

If you are interested in the city or county’s practice of contracting for social services — day care, home health care, mental health, alcohol and drug abuse prevention, senior care, etc. (commonly these contracts originate in large part at the county level), be sure to understand if these types of contracts are included in whatever list you get. Information on these contracts may also be available from the local Social Service or Health and Human Services Department that administers the contracts.

Financial Assistance

Cities, counties and states have multiple financial tools at their disposal to provide benefits to private businesses. Deciphering your city or county’s use of financial assistance to attract or retain private business can be frustrating, but also very fruitful. The key, again, is asking straight questions — over and over — until you think you’ve talked to the right people and have an understanding of what you set out to understand. **DO NOT OBSESS** about getting every little detail on every piece of financial assistance — the most important thing is to get the big picture and follow up more closely with examples that look promising (i.e. projects — ideally high profile — that got lots of public money with no visible community benefits).

First, the most common forms of financial assistance include: grants, loans, tax breaks, abatements, or tax credits (on property, income, job creation), tax increment financing (TIF), industrial revenue or development bonds. The funding for these assistance packages can come from the city, state, or federal government. As a



general rule, living wage ordinances can cover financial assistance that is either provided by the city itself or state and federal money administered directly by the city.

As with contracts, you might want to consider limiting your information requests to subsidies of a certain size. This number, of course, should differ by city and depend on at least some anecdotal knowledge about the range of subsidy dollar values and what types of projects you want to cover.

First, you need to find out which city departments give out money to businesses for “economic development”, “job creation or retention”, “business attraction”, etc. (In smaller cities, all the business incentives may come from one or two places, while in larger cities there are often several separate sources). Many cities have an Economic Development Agency or office that administers many if not all of its business assistance programs. Other relevant city departments may be something like “Housing and Community Development” that may administer Community Development Block Grant (CDBG) money, some of which goes to economic development (see below). Tax-related benefits sometimes go through the Tax Assessors office (or tax board, or through business incentives — like TIFs for example can also be handled by the main economic development agency

CDBG loans and grants: CDBG money comes from the U.S. Department of Housing and Urban Development (HUD) and flows as a block grant to all large cities (smaller cities may compete for CDBG money administered at the state level). While much CDBG money goes toward housing, the program also allows for loans and sometimes grants earmarked for economic development assistance. The program objectives of CDBG include reducing slum and blight, providing services in low and moderate income areas, and — importantly — providing job opportunities to low and moderate income residents. Loans and grants are made under stated objective categories. Helpfully, HUD requires recipient cities to report annually on CDBG expenditures. These reports — called Grantee Performance Reports — are available from your city from whatever city department administers the CDBG money. The reports (which are really thick) include grantee names, loans/grant amounts, project dates, and sometimes numbers on job creation goals and progress. No wage info.

Commercial Tax Abatements/IRBs/TIFs: A TIF district is an area that has been defined — usually by local ordinance — as badly in need of development. To attract

development, the city exempts developers/businesses locating in the TIF district from paying any increase in property tax that results from the development. That money (“tax increment”) goes instead to defray the costs of the development.

Find out if your city or county offers tax abatements or bond financing to businesses by asking the economic development officials you speak with and then find out who to talk to further about the specifics. What kind of tax abatements are offered? (sales, property, income, what percentage over what number of years?) What are the eligibility criteria? With tax abatements, one useful calculation is the total value of commercial tax abatements granted by the locality over the last X number of years (In other words, the total loss to the tax base represented by the abatement — which is not a phrase these officials would ever use, by the way). In addition to the total dollar figure, it is of course useful to find out which individual firms have received abatements (and how much they are worth) so that you can do firm-specific wage research and add to your campaign target list.

TIFs and IRBs (or IDBs) are most often associated with particular development projects for which you can then research jobs and wage questions. Like tax abatements, you want to find out total dollar value for these types of subsidies. Some cities will in fact not know how to calculate these numbers. Always ask whether there are any jobs, wage, or reporting requirements of businesses who get these breaks. A sample letter requesting tax abatement information is included in the appendix.

Other Economic Incentives: It is also possible that your city or county has created a “fund” with tax dollars for economic development assistance to businesses. Obviously, you want to know everything about this money: How much there is, who gets it (and what is the decision making process for this money?) Under what conditions does a firm qualify for the money? Specifically, are there any job creation or wage requirements? training commitments? promises not to relocate? This money may be administered by the same economic development arm as other money — or by another authority. We’ve heard of these tax dollar set-asides being called “Special Economic Incentive Packages” or even “Sunny Day Economic Development Fund.” Do not overlook this money. A sample letter for requesting information about these subsidies from local governments is included in the appendix.

NOTE: These are just some of the major forms of financial assistance to businesses. There may be others in your

Getting Help

Where possible, activists should tap into local people with relevant expertise.

* **academics** — faculty in economics or urban planning departments may have researched or be interested in researching the local economy or urban policies. They may be able to provide some of the basic figures on employment, wage, poverty, etc. Depending on their own research they may also be familiar with getting information on local spending and financial assistance.

* **human service professionals** — the people who work for poverty programs (including city and county benefits administrators), local charities, or who advocate for low-income people can offer a wealth of helpful information. Since these people deal with many of the issues on a daily basis, they are often a good source of information on poverty, cost of living, and other figures. They can also provide effective testimony. When the head of a homeless shelter, for example, describes how many of their recipients work at full-time jobs, the campaign has tapped into a powerful image.

* **sympathetic elected officials, their staff, and helpful civil servants** — such people can help researchers save time and effort. Since local bureaucracies can seem mystifying, sympathetic figures who can point to where specific information is available can provide enormous help. While all the governmental information which activists will be researching is legally public, having an insider to help gain access to the information can cut down on the hassles of dealing with uncooperative staff and reduce the need Freedom of Information Act requests.

Researchers should realize, however, that simply because a person sits on council or works for part of the bureaucracy

does not mean that they necessarily understand where all the public pots of money are located, who gets it, and under what conditions. A city councilor's staff, for example, may express the opinion that most companies contracting with the city pay Living Wages. However, if the city has no reporting requirement, this opinion is just an impression. Similarly, financial assistance can come in a wide variety of forms. Since local governments rarely centralize information on such subsidies in one place, researchers can not simply rely on the tips provided by local staff and elected officials, as these people may be unaware of many potential pots of corporate welfare. City personnel may purposefully provide vague or misleading information in order to avoid what they may perceive as unwanted scrutiny or extra work.

* **local unions** — unions may represent workers whose employers receive public funds and then contract out work out to low-wage companies. Public sector unions will know which government jobs have been contracted out or are under the threat of being contracted out. Unions with active organizing efforts may also have detailed information on targeted employers — including crucial contacts with workers willing to come forward to testify for a living wage.

* **state labor departments** — typically will publish data on average wages broken down by occupational category. Commonly this data is provided both statewide and for major metropolitan areas.

* **local news** — since financial assistance to businesses can offer a news story, a local reporter may have already done some of the research. In Washtenaw County, for example, the local daily newspaper ran a story which provided totals on tax abatement grants given by each municipal government under a particular industry promotion program. The next week the paper ran another story which provided examples of specific companies receiving aid.

city — or you may be interested in broadening the definition of “assistance” to benefits like city staff assistance, zoning permits, infrastructure improvements to support development, utility assistance, etc. Several cities have been designated Federal Empowerment Zones for which the Living Wage can apply. On the other hand, many cities participate in state-legislated “Enterprise Zone” programs that provide state tax credits for companies locating in certain underdeveloped local areas. This form of assistance could not be covered by a local ordinance, since the tax credit is available only directly through the state.

from government subsidies. Confirming this lack of information by directly asking the agencies that administer the money is an important part of your research. You should also look at example loan agreements/grant contracts/abatements ordinances and agreements, etc. to see what if any language they include on jobs, wages or reporting requirements. Once you have found out all you can about what wage information is (not) available, you can turn to cold-calling firms and other ways of trying to locate information on wages paid.

Wages: As with contracts, there is often little or no information about wages paid by firms that have benefited

Finding Wage Information and the Impact on Workers

Identifying actual wage rates of potentially covered employers is not easy — and just goes to prove the need for accountability and record keeping that the Living Wage statutes demand. However, activists have used several ways to find actual wage rates. Some have contacted the firm adopting the context of applying for jobs. Others have said that they are from a community agency or group interested in referring people for jobs. Local unions and community groups may have contacts or have had experiences with an employer to point toward their wages.

Campaigns can also make use of government employment data, explained in the next section. While such information is by general category, not individual employers, it can help to make a case that certain jobs pay generally low wages.

The most compelling case for a Living Wage can be made by low-wage workers themselves. Not only can the workers tell of their wages and working conditions, but some may also be willing to speak out. Workers can also detail out their family budget needs. The campaign can then compare these needs with the wage they are receiving versus a Living Wage.

In talking to potentially affected workers you may also identify possible activists for further Living Wage activities, union organizing, or neighborhood activism. Such workers are often in jobs of a nature that simply visiting the work site can provide easy access to conversations with them. Los Angeles researchers targeted roughly two dozen companies who contracted with the city. By visiting the work sites they spoke to over one hundred workers. The campaign then used the stories of fifteen of these individuals and their families to highlight the need for a Living Wage. Unions, human service organizations, churches, and community groups may also be able to provide contact with low-wage workers.

If you have the support of some progressive academics who can use an official, neutral-sounding name, they might be able to conduct a survey of local businesses — asking them about their employment levels, wage rates, and whether or not a Living Wage law would compel them to reduce employment or raise prices. Many em-

ployers may not respond and those that do may have a vested interest in slanting the data. However, if the results show that in their own words a majority of businesses surveyed say the Living Wage would have no impact on employment, then your campaign has further ammunition.

Several campaigns have had researchers familiar with the data on public assistance compare the tax payer burden for families living on minimum wage jobs with families receiving a Living Wage. These same researchers can also estimate the increase in taxes paid by Living Wage earners.



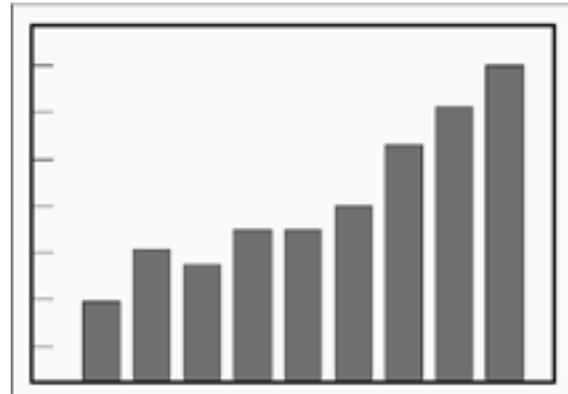
Estimating Overall Impact

The above suggestions focus on developing enough evidence to make a compelling case for enacting a Living Wage ordinance. This research still begs the question: What will be the law's actual impact? Generally, campaigns should avoid getting into debates over supposed budget increases or employment impact. As we will detail in the next chapter, enough research has been conducted on Living Wage ordinances in other cities demonstrating that your law will benefit the people it is intended to help, and will not significantly increase taxes or reduce jobs. However, for campaigns which have the resources and interest, there are two models for predicting the impact of your Living Wage law. The first provides a quick and very basic estimate. The second is far more elaborate. Since it develops a detailed list of covered employers, the Los Angeles model is especially useful for enforcement and other grassroots activity which targets employers after the Living Wage ordinance is passed.

The Chicago Pro-Living Wage Study

The Center for Economic Policy Analysis in Chicago researched the maximum possible cost in increased contract prices if the proposed Living Wage law was passed. Since the goal was to estimate the cost to the maximum costs to the city itself, the researchers did not concern themselves with the impact of subsidy coverage. Jason Hardy and Arthur Lyons found that even when biasing their research to well over estimate the Living Wage law's financial impact, the cost to the city would still only be \$12 million out of a budget of \$4.5 billion — or less than three tenths of one percent. A complete copy of their report detailing their methodology is available from the ACORN National Living Wage Resource Center. In brief, Hardy and Lyons did the following:

1. They obtained the total dollar amounts awarded for contracts and grants found in the city's budget document.
2. Using data books from the national Bureau of Labor Statistics they calculated the number of employees needed, on average, to produce \$100,000 of output. Federal government records break the economy down into



Standard Industrial Classifications (SIC). Taking the government numbers for the national output for an SIC classification and then dividing by the national employment count provides the average employment per \$100,000 for that industry.

3. The researchers then estimated from a sample of city contracts what proportion of the city contract budget fell into each SIC category. They applied the ratio from step two to convert the dollar amounts for each SIC category into numbers of workers. Their figures added up to 12,850 workers covered by the Living Wage contract requirements.

4. Using more data from the Bureau of Labor statistics, Hardy and Lyons calculated the percentage of workers in each SIC category who earned below a Living Wage. Using this ratio, they estimated that 2,178 to 2,634 of the 12,850 workers would directly see their wages increase.

5. Multiplying the number of affected workers times the estimated cost of the Living Wage increases, the researchers arrived at a final figure of \$12 million. This number assumed that all affected companies would simply pass on the cost to the city. In reality, most firms could simply absorb the costs. The number also included smaller firms that in actuality would have been exempted from the Living Wage by the law's thresholds.

As the above sketch indicates, the research did not involve elaborate data collection, but relied upon overall numbers in the city budget, a representative sample from the list city's contract records, and basic federal employment and industry data. The Bureau of Labor Statistics information can be obtained at local research libraries or on the following web sites:

On the Web

* SIC codes can be found through the list on the Occupational Safety and Health Administration's web page at www.osha.gov

* Bureau of Labor Statistics — www.bls.gov -- for employment data.

* Bureau of Economic Analysis — www.bea.doc.gov - for wage data.

The Pollin Los Angeles Study

The most substantial studies that examine the potential impact of a Living Wage ordinance follow a model first developed for Los Angeles by progressive economist Robert Pollin. Subsequent to his LA research, Pollin has taken a position at the University of Massachusetts, Amherst where he heads up the Political Economy Research Institute. A main part of the Institute's work involves consulting on and conducting original Living Wage impact research. Studies similar to Los Angeles have been done by a number of researchers including in Miami-Dade County, San Francisco, Oakland, New Orleans, and Detroit (see appendix for a citation list). Pollin's latest report focused on Santa Monica's zone-based living wage.

For Los Angeles, Pollin's team of researchers -- headed by Stephanie Luce-- carried out a far more extensive local data collection than that done in Chicago. A detailed presentation of both their findings and their methodology has been published as Robert Pollin and Stephanie Luce, *The Living Wage: Building a Fair Economy* (New York: New Press, 1998). This excellent book not only provides estimates for the impact of the actual Living Wage ordinance, but also examines the potential effects, in the context of the LA economy, of both a Milwaukee-style, contract-only law and an across-the-board increase in the local minimum wage.

We will discuss the Pollin-Luce results in more detail in the next chapter. Unlike in Chicago, their team compiled a comprehensive database covering not only all businesses contracting with the city, but also all receiving major concessions and/or subsidies. Assembling such a data base involved no small amount of work. Like Hardy and Lyon, the Pollin team used federal government figures, organized by SIC categories, to estimate employment and wage levels. This allowed them to estimate the total costs to employers which they found to be a trivial 1.5% of the average production costs.

In calculating costs, Pollin's researchers went further than the Chicago estimates. They included an estimated ripple effect for increases in the wages of workers earning just above the Living Wage. They also identified health care expenditures and costs for twelve paid vacation days required by the ordinance. By including companies receiving subsidies in their research, Pollin's team provided compelling evidence to refute arguments that the Living Wage would drive away jobs. The estimated cost for most firms was such a small part of their overall budgets that it simply defied logic to claim that they would leave the city or downsize their workforce as a response to the Living Wage requirements.

For campaigns that can enlist the help of a sympathetic academic, conducting similar research should be straight forward. You need someone with basic experience using statistical data bases. Familiarity with government census data is a plus. In Detroit, one directing researcher and two student assistants were able to conduct a complete study in two months working at half time.

In spring 2003 PERI will release an assessment of the actual impact of living wage laws that have been in effect in Boston, New Haven, and Hartford.

For questions on conducting a similar study in your community or for info on existing research contact:

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Political Economy Research Institute

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University of Massachusetts
Amherst, MA 01003-7510
pollin@econs.umass.edu

Key Website

The PERI web site offers the most valuable clearing house for studies on the living wage. The site has one page for PERI's research and a full list of other research under resources and links.
www.umass.edu/peri/lwlinks.html

A Simple Survey of Non-Profits

In the next chapter we will profile a large-scale survey done of non-profit employers covered by Detroit's living wage. While such research in a large city requires formal research resources, in smaller communities campaigns might be able to conduct such a survey with a handful of volunteers.

For example, the new living wage law in the city of Ann Arbor covers at most forty non-profit employers. With several students volunteering from the University of Michigan, the campaign was able to do a phone survey of these covered organizations. The survey was short. It asked how many of the organization's workers made below the living wage, how many workers on city-related funds, how many received health benefits, and whether the staff person interviewed supported or opposed the living wage. In retrospect, the survey also could have added questions about the amount needed to comply with the living wage and how that compared to the organization's overall budget and funds received through the city.

The volunteers were able to get responses from twenty-six non-profits. According to the wage data, seven of twenty-six currently employed workers at wage and benefit levels below the living wage, for a total of 133 effected workers. In each case, however, these effected workers were a minority of those employed ranging from 6-40% of the entire organization's workforce. Of those interviewed, thirteen non-profit staff supported the ordinance, only two opposed it. The exact costs to non-profit employers of living wage compliance could not be estimated because the exact work hours of effected employees was not part of the study.

This simple survey took the non-profit issue out of the public debate over the living wage. The local newspaper, which editorially did not support the living wage, did run a story on the survey results giving the impression that the impact on non-profits would not be great. While some non-profits did lobby behind the scene for extra funds (we will discuss this funding strategy in the next chapter) none publicly spoke out against the living wage and non-profits were not used as a reason for opposition.



Basic Family Budgets

Many living wage campaigns use basic family budgets (also called "self-sufficiency standards" or "basic needs budgets") to show why families in their city or county need a wage increase. Basic family budgets calculate the minimum amount of income a family in a particular community needs in order to pay for basic budget items like food, housing, transportation, health care, childcare, taxes and other necessities. Many researchers believe family budgets are more accurate than the federal government's poverty-line because family budgets are for specific geographic areas and because they include work expenses like childcare and transportation.

These budgets have been created for many cities and counties around the country. To find out if a budget has been created for your area, go to the Economic Policy Institute's "Poverty Measurement and Basic Family Budget Issue Guide" at www.epinet.org. This issue guide also has links to other family budget resources and includes step-by-step instructions for creating your own family budget.

EPI's Web Page

The Economic Policy Institute's web page (www.epinet.org) has two features that are very useful for living wage campaigns. EPI's "State Data at a Glance" located on their web site in the DataZone, provides a fact sheet for each of the 50 states which includes the latest economic indicators, such as median family income, wages, poverty rates, unemployment, and income inequality. Their "Issue Guides" on the living wage, minimum wage, and poverty measurement/basic family budgets includes important facts, frequently asked questions, lists of relevant EPI publications, and links to other resources of interest to living wage organizers.

Chapter Seven

Countering the Opposition

Rare do proposed Living Wage ordinances simply sail into the law books. Even in areas with strong progressive traditions, activists have encountered opposition from employers which threaten to derail the Living Wage effort. Fortunately, growing experience and research findings are now available to back up local Living Wage efforts.

The Opposition's Case

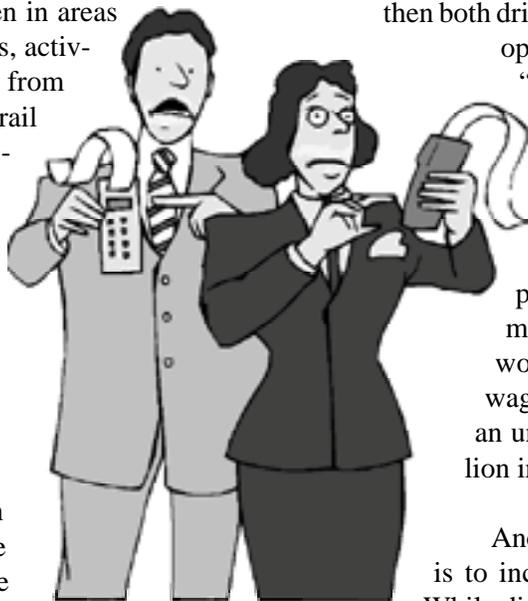
The arguments made against the Living Wage have been generally consistent across the country. The opposition has made four major claims against the Living Wage that might have some bearing on the actual facts. Note, that they may also simply misrepresent and outright lie about ordinance. We will not cover this later tactic here, however, the most common lie is that your ordinance is an across the board local minimum wage. Others include that your ordinance applies to churches and all other organizations tax exempt by federal law or the endless parade of employers decrying the hardships of your living wage who are not even covered by your ordinance.

Myth #1 The Living Wage will Raise Taxes

“LA Wage Control Ordinance DOUBLES taxpayer Debt” — so cried the headline of an anti-living wage piece. The opposition will claim that many employers, faced with stiff competition and tight cost margins, will have to pass on increased costs attributable to Living Wage requirements onto the tax payer through higher contract prices. The LA opposition's ad pointed to an “alarming cost” of “\$93.3 million dollars” — a sum claimed as almost equal to the annual city deficit. “The city cannot fund basic police and fire services today,” the authors state, “Where will this money come from?”

For those looking for anti-living wage ammunition, increased costs can also be found in other ways. The higher wage costs could discourage firms from bid-

ding on city contracts. This decrease in competition could then both drive up costs and decrease quality. The opposition will also raise the supposedly “huge” costs of monitoring and enforcing the law. The overtones are that your law will create more expensive taxpayer funded bureaucracy.



The Chicago opposition's study predicted dire tax increases of \$19.8 million. They assumed that contractors would pass the entire costs of higher wages on to the city. They also provided an undocumented estimate of \$4.2 million in city administrative costs.

Another way of raising the possible costs is to include city workers in the coverage. While direct public employees should receive a living wage, the application does need to be carefully fine tuned as municipalities do include workers, such as crossing guards and election workers, that do not live off of their very part-time public work. If the exact coverage is not made clear, internal estimates, especially when done by a hostile administration, can vastly overcount the costs of city compliance.

Myth #2 The Living Wage Will Cost Jobs or Displace Low-Skill Workers

The opposition will claim that the Living Wage will price low-wage workers out of a job. Higher wages supposedly force employers to cut jobs — doing more work with less people. Alternatively, employers will simply hire more skilled workers since the difference in costs between them and their lesser skilled employees has been reduced.

The opposition always assumes that wages are based primarily on skill levels. Thus, the Living Wage raises low-skilled workers compensation above their “natural” level — thereby pricing them out of the job market. As an opposition “fact sheet” in LA stated, “ultimately, a business will have to cut jobs in order to deal with higher labor costs. There will be fewer entry level wage earners. This ordinance will hurt the very constituency it claims to serve.” The opposition will also claim

that a Living Wage law in a given municipality will force companies to move out. As the same LA “fact sheet” explained, “a socially responsible business will not be able to compete with a similar business not having to pay higher labor costs.” The very name which the opposition gave to itself, “The Coalition to Keep LA Working”, spins the issues quite purposefully. The same can be said of the labels the opposition has used to describe the Living Wage, such as the “Job Destruction Ordinance.”

The Chicago anti-Living Wage study estimated an alarming loss of 1,337 jobs from among 9,807 workers affected by the Living Wage. In other words, they claimed that 13.6% of affected low wage workers would supposedly lose their jobs if the Living Wage took effect.

The latest version of the job loss argument claims that while the overall number of workers may stay the same, less skilled workers will be replaced by more skilled workers over time. The logic seems to be that if employers are forced to pay more, then they might as well hire workers with greater qualifications.

Myth #3 The Living Wage Creates a Hostile Business Climate

Even if a Living Wage bill proposes to cover only a selection of local businesses, the opposition will argue that it sends a message to investors that they are not welcome. Especially in economically distressed areas they will try to pose as the defenders of local development desperately trying to attract scarce capital.

“Los Angeles is already fighting off other states and municipalities that are offering economic incentives to move and an overall lower cost of doing business,” decried the opposition. “This ordinance will only add to the perception that Los Angeles is not business friendly.” As the *Boston Business Journal* put it: “you’ve allowed meddling bureaucrats to inspect your financial books, tell you how much to pay your employees no matter what the market conditions might be, and basically you have to decide whether you want to do business in a city that passes such laws.”

Crain’s Detroit Business didn’t mince words: “This proposal is just another death wish. It delivers to business a simple message: This is Detroit; it costs you more to do business here than anywhere else in Michigan. If you don’t like it, leave.”

The Chicago opposition predicted that companies would simply be driven out of the city. In a statement which vastly overrates the value of tax payer subsidies in determining business investment decisions, their study reminded readers that “in recent years, many businesses have left the city of Chicago and moved to a nearby suburb, to another state, or to another country. In fact, it is the presence of various assistance programs...that have kept many businesses in Chicago that would otherwise have left. Consequently, it appears that if the proposed Ordinance meaningfully reduced the profits of affected firms, many of these firms would leave the city of Chicago.”



In Philadelphia, employers made dire predictions some of which proved quite incredible. One firm which did document shredding for the city claimed that they would have no other choice but to leave Philadelphia if the Living Wage was passed. The campaign learned, however, that the firm employed only two people on the tasks covered by the Living Wage for an increase of 40 cents an hour each.

Myth #4 The Living Wage Will Crush Non-profits

Low wage employers may try to hide behind the fig leaf of non-profits. They will attempt to redefine the issue away from whether profitable companies should pay living wages to whether community organizations should be able to provide basic services to the poor and needy.

Two weeks before the November election, Detroit Mayor Dennis Archer used non-profits as the excuse for abandoning his support for the Living Wage when he told reporters that despite his respect for the general idea he did “not intend to have our non-profits hurt in any way.” Subsequent research found that most of the over 400 non-profits receiving Neighborhood Opportunity Funds through city allocation fell below the Living Wage’s \$50,000 threshold. Among the few covered, the Mayor’s office could not identify any who would come forward to oppose the Living Wage. Meanwhile several covered non-profits were quite upset that they were being used as an excuse for opposing the ballot initiative.

The non-profit issue, however, only got worse after Detroiters voters overwhelmingly passed a Living Wage ordinance. The Chamber of Commerce took ad-

vantage of the fact that the actual ordinance language had been kept general and concise in a manner appropriate for a ballot initiative. They were thus able to read into the law coverage and conditions that the more detailed and subsequent rules and regulations would make clear were not true. The Chamber then went to non-profits and raised hysterics.

"200,000 Detroit families will go without turkeys this holiday season due to the Living Wage!" — so exclaimed one local newspaper story. This alarming figure came from the Salvation Army which claimed the Living Wage would cost it \$1.7 million a year. The Chamber of Commerce had claimed that the Living Wage applied to all workers at a firm — including GM workers in Mexico, for example — rather than those working on the contract or at the subsidized workplace. Hence, the entire payroll throughout the state and beyond was the likely source of the Salvation Army's \$1.7 million figure and the 200,000 turkeys.

Night after night local news television programs shamelessly ran story after story provided by the Chamber pointing to the alarming costs of the Living Wage law. For example, they interviewed non-profits running training programs which supposedly would be shut down if forced to pay a Living Wage. Again, the Detroit rules and regulations made clear that genuine training programs were exempt.

Unfortunately, the corporate media may not attempt to contract the Living Wage campaign for information. The *Detroit News* went as far as to interview a fifteen-year-old employed as an intern for a local legal services non-profit. Telling the young man that the organization would have to lay him off if forced to pay him a Living Wage, the reporter then asked the him if he thought the Living Wage was a good idea! (Yet, the proposed rules and regulations exempted special youth employment.)

The Chamber of Commerce's rumor-mongering and bad press had an impact. The Living Wage campaign had to scramble to meet with area non-profits. Most supported the general idea of a Living Wage, yet had been frightened by all the alarmist and misleading claims made by the opposition.

ON ASSIGNMENT

Get on the Bus

ACORN "Tour of Shame" Exposes Poverty-Wage Payers With Big City Tax Breaks



The Albuquerque Campaign Earns Some Good Press

Two Paths for Opposition

Opposition is typically led by the Chamber of Commerce or similar business bodies.

Legislative Maneuver

Depending upon the local political balance, employers will cash in their political connections to try to outmaneuver your legislative efforts. In many cases, although not all, mayors have proven a chief political obstacle to Living Wage lobbying. Obviously the most direct way of defeating a Living Wage law is to have it voted down by council or vetoed by the mayor. However, activists should look out for more subtle opposition. If your momentum seems solid, opponents may try to stall your campaign by commissioning lengthy impact studies or burying the proposed law in committee. They may also try to whittle away at the law's provisions in order to render it useless.

Rarely, will an elected official simply say that they are not in favor of a Living Wage. Instead, they will claim sympathy with your noble intentions, but take it upon themselves to look into the "hard facts". In Kalamazoo, for example, the Office of City Manager released an impressive looking study that examines the experience of other cities, collected feed back from proponents and opposition, and conducted a small survey of contractors. Yet, while the discussion of pros and cons was fairly balanced, the report's recommendations had nothing to do with the material covered. With no substantiating evidence, for example, it ruled out applying a Living Wage to subsidies, instead recommending the city "encourage" subsidy recipients to pay living wages. Similarly, recommendations that the city pass a resolution to address the general issue of poverty through education, job training etc. had nothing to do with the issues concerning the living wage — the explosion of low-paying jobs. In other words, after careful investigation the City Manager's Office came up with conclusions identical to the Mayor's position prior to the investigation! When momentum for a law continued, opponents in Kalamazoo offered a living wage law so narrow and weak that living wage supporters on the council voted it down. This set up a ballot initiative effort. Although the campaign collected the required number of signatures, the council used a legal technicality to refused to place the measure on the ballot!

The prize, however, for creative opposition has to go to wealth hotel owners in Santa Monica. These business leaders were so concerned about an innovative living wage, that would apply to all businesses in the Water Front District, that they formed a group called "Santa Monicans for a Living Wage" which placed a "living wage" ordinance on the November 2000 ballot. The ordinance, however, applied only narrowly to city contractors and explicitly would have prevented the city from enacting any other form of wage legisla-

tion. The real living wage campaign defeated the measure through a massive voter turnout drive.

As we will discuss in the next chapter, employers who cannot prevent a law from being passed still have a chance to gut the ordinance after passage. As the spotlight moves away from the drama leading to the law's passage, local government must still design provisions for implementation and enforcement. At this stage the opposition may have ample opportunity to undermine your hard-fought campaign.

Public Relations

Business leaders may try to defeat your campaign with money. In Houston, for example, employers raised over 1.3 million dollars in efforts to defeat a ballot initiative raising the city's minimum wage. At key times local residents could turn on their television or radio and listen to anti-minimum wage commercials every hour or half hour.

Faced with an across-the-board minimum wage increase, the Houston opposition could rally a broad spectrum of local companies who felt threatened by the proposed law. However, even in St. Paul where the Living Wage focused simply on companies receiving economic development money, employer oppositions raised enough funds to out-spend the Living Wage campaign at least five to one. In Los Angeles, the Chamber of Commerce hired a statewide public affairs communication firm and set a reported goal of raising \$150,000 to campaign against the Living Wage.

Such money translates into public-relations-type advertising campaigns. These efforts will generally rely on negative mud-slinging and fear-mongering. Their goal is to place doubt and fear into the minds of voters and legislators. Their venues include direct mailings, newspapers, and the electronic media.

The mayor of Ypsilanti tried to maintain a public face of detached neutrality. Meanwhile she sent email messages to local small businesses asking them to protest the proposed law.

Unless you have reason to believe otherwise, the local media, which depends on business advertising dollars, will likely oppose your campaign. This opposition can take the form of editorials against the living wage or by giving ample space to the words of the opposition. The appendix includes samples of negative press coverage.

Other Arguments Against the Living Wage

From the three core claims, the opposition can draw several corollary arguments:

The Living Wage will Hurt Small and Minority Business

The opposition will try to find innocent-looking “poster child” companies that would supposedly be driven into dire circumstances by your law. “I deal with the challenges facing small, minority-owned businesses every day. I am strongly opposed to the Living wage ordinance,” Charlie Woo told an *LA Times* reporter. President of MegaToys and a member of the opposition coalition, Woo went on to explain the likely pressure the law would produce on firms to cut their work forces and scale back expansion plans.

Another variation on this argument claims that minority areas are particularly hard hit by urban decay and can ill afford to drive away existing business and/or future investment. “Detroit desperately needs to increase its tax base and population,” *Crain’s Detroit Business* reminded its readers.

The Living Wage Rewards Good and Bad Employees Alike

The opposition may try to lure workers higher up the income scale by raising the myth that one’s personal hard work and skills are the primary determinant of one’s wages. If this is true, so the myth goes, the market will reward hard working individuals. Employers should not have to reward employees who do not contribute their “fair” share to the firm. “Jobs that require no skills whatsoever, such as mopping a floor, are not worth \$9 an hour” is how one condescending right-wing student reporter in Detroit put it. According to this line of thinking, people should advance themselves by increasing their education and skills. The reality that someone has to clean the floors and guard the buildings does not factor into such pull-yourself-up-by-your-boot-straps logic.

There is a Better Way

The opposition may also offer often vague references to job training and educational opportunities as alternative to the Living Wage. With proper skills and experience, workers can move onto better paying job opportunities. Conveniently, the market has been allowed to set the terms. They may also

argue for increases in the earned income tax credit. This provides tax relief and refundable credits to low-income workers with children. While in general, raising the ETC is not a bad idea, this argument conveniently shifts policy to the state and federal government. It also costs employers nothing.

Indeed, taken by itself, the ETC in effect has tax payers providing part of the income for low-wage workers whose their employer won’t provide a family-supporting wage.



The Living Wage Will Not Help Those It Intends to Aid

As an opposite tact, the wealthy opposition may ironically portray itself as the defenders of the poor and lowly. They will claim that the Living Wage, while well intentioned, will “in light of the hard cold facts” actually create poverty through massive job loss.

In the quite erroneous words of the Chicago study: “the primary cause of poverty is the lack of full-time work, not low wages.” The researchers ignore the possibility that the problem may include poverty-wage part-time jobs. They then go on to claim 1,337 to 1,833 jobs will be lost. “Thus, while the number of workers receiving wage increases exceeds the number of workers losing their jobs, the net effect is that the Ordinance is as likely to increase poverty as it is to reduce it.”

Another variation on this theme is the curious argument that low-wage workers would not gain, and might even lose money, since higher wages would disqualify them from public assistance. For example, the Chicago study estimated the maximum possible assistance loss for a family of four with only one wage earner. If this bread winner was moved from a minimum wage of \$4.25 (at the time) to a Living Wage, according to their numbers, this family would lose \$2,208 in food stamps, \$1,416 in Medicaid, and \$736 in Earned Income Tax Credit. At the same time their combined state, federal, and social security taxes would increase by \$713.55. Thus, their actual disposable income would increase only by \$1,626.46 from \$18,265 to \$19,892. And as the study decries, this modest gain comes at a cost to employers and tax payers of \$7,212.55 (the total increase in gross yearly wages)! Furthermore, most of the tax savings from the lower public assistance would go to state and federal budgets, while the city would have to pay the supposed contract increases.

"Know Thy Enemy!"

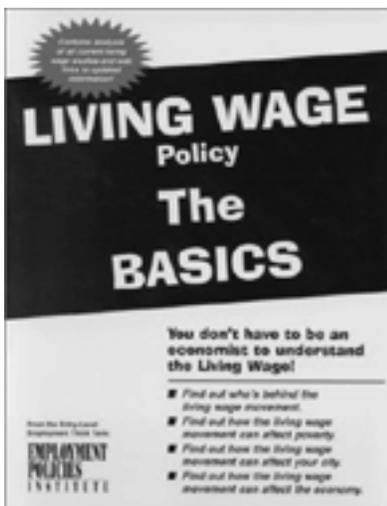
The Employment Policies Institute

People interested in the living wage who innocently go on-line and type in www.livingwage.org will find lots of information about the living wage -- all of it from the opposition. Indeed, they will have stumbled upon an offshoot of the Employment Policies Institute. Not to be confused with the progressive Economic Policy Institute, the Employment Policies Institute has for years provided intellectual justifications for opposing the minimum wage. Indeed, the Institute is backed by the hotel and restaurant industries. Since the growth of the living wage movement, the Institute has also served as the central conduit for living wage opposition. They host two anti-living wage sites at www.epf.org/LWsite/ and www.epionline.org/livingwage/index.cfm. The later site comes up also using the addresses livingwage.org and livingwage.com. According to their main web page:

The living wage campaign is an organized effort to force certain employers to pay wage rates based on some definition of "need" rather than "skills."

The Institute offers a number of tools for living wage opponents.

"Living Wage: The Basics" ...of Opposition



Sold as a neutral and handy overview of the living wage movement, this anti-living wage diatribe was published by the Institute and is now available from Amazon.com. Chapter two, for example, portrays research supporting the living wage concept as part of a vast conspiracy headed

by economist Robert Pollin. Normally in academic circles, researchers who network with related researchers and draw on already established methodologies are seen as following the norms of scientific research. In the hands of these industry-funded authors, however, this becomes something sinister. In chapter three, the authors proceed to offer the Employment Policies Institute's collection of materials as independent, unbiased statements of fact.

Anti-Living Wage Research

In addition to re-releasing the Chicago anti-living wage study already discussed, the Institute offers other pieces of questionable "research."

Baltimore Hatchet Job

"The Baltimore Living Wage Study: Omissions, Fabrications, and Flaws," (October 1998), by the Employment Policies Institute takes a nasty and unsubstantiated swipe at the original study entitled "Baltimore's Living Wage Law: Analysis of the Fiscal and Economic Costs of Baltimore's City Ordinance 442," by Mark Weisbrot and Michelle Sforza-Roderick of the Preamble Center for Public Policy (1996).

Though this attack on the Baltimore study has become a favorite reference for living wage opponents, it has been convincingly dismissed by the original authors. The main points follow:

- The Preamble study compared the cost of city service contracts before and after the living wage law took effect in order to detect any significant price increases. The Employment Policies Institute claims that one contract was erroneously included in the calculations and skewed the results. However, this contract was included based on city officials indication that it was covered under the ordinance. More importantly, the exclusion of the contract would not have changed the study's primary finding: that contract costs *did not increase* in the year after the law passed.

- The attack study accuses the Preamble authors of “misrepresenting the facts” by omitting a \$193,000 adjustment to another contract. However, their own report indicates that this adjustment was made *after* the Preamble study had been completed.
- The Employment Policies Institute mistakenly accuses the study authors of over-adjusting for inflation, ignoring the fact that inflation adjustments on a *two-year* contract must be calculated to reflect changes *over the two year period* in order to be accurate.
- Most significant is the fact that at the time of their critique (1998), the Employment Policies Institute had two years of data on the effect of the city’s living wage that was unavailable to Preamble at the time of their study (1996) and therefore could easily have added up their numbers and shown whether costs had increased. The fact that they chose not to do so indicates that the end result would not have differed significantly from the main findings of the original study.
- The results of the early Preamble study were substantially confirmed by the release of a second study on the impact of the Baltimore ordinance conducted by Johns Hopkins University faculty (“The Effects of the Living Wage in Baltimore,” by Niedt, Ruiters, Wise, and Schoenberger, 1999). Available at www.epinet.org

For a copy of the original Baltimore study or the full Preamble response, contact Jen Kern at ACORN: 202-547-2500.

The New Hampshire Survey of Economists

If the Employment Policies Institute had been around in 1954 when Darrell Huff wrote his classic How to Lie With Statistics, they would have provided him an excellent case for how to lie with a survey. In August 2000, the Institute co-released with the Survey Center at the University of New Hampshire a report entitled: "The Living Wage: Survey of Labor Economists." The below is taken from a reply by the progressive Economic Policy Institute.

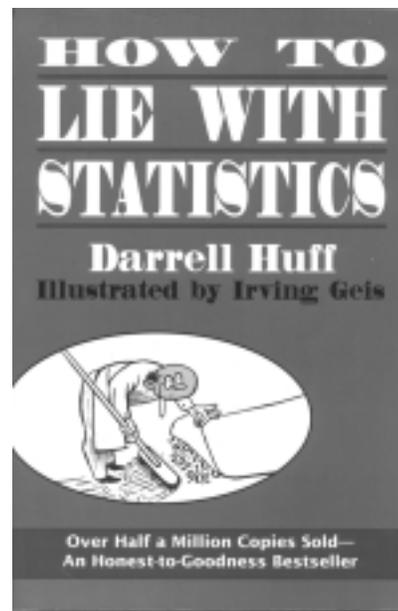
The Employment Policies Institute commissioned a survey of labor economists about the possible effects of living wage legislation. They claim that their survey shows that most labor economists think that living wage legislation has negative effects, such as employment loss, especially for less-skilled workers.

The main problem with this survey is that the policies the economists are asked to evaluate bear no resemblance to actual living wage policies, and the survey questions are either ill-defined or deliberately misleading. Respondents are asked to evaluate local or national **minimum wage** rates for all workers of \$7.73-\$15.45 an hour, not living wage laws applied to contractors and subsidy recipients.

In the introduction to the survey, respondents are told to assume that the living wage policy will cover every employer, and thus every worker, in a locality. In other words, the survey asks respondents to treat living wage ordinances as minimum wage laws. The first two questions then ask about living wage rates corresponding to \$7.73-10.30, \$10.31-\$12.88, and \$12.89-\$15.45 respectively.

The remainder of the survey, which asks questions about a national living wage for all workers, never sets a wage rate, leading respondents to believe that the proposal is to raise the federal minimum wage to \$7.73-\$15.45 an hour. It is not surprising that economists would agree that setting a minimum wage of \$15.45 an hour would create job loss, as this would mean a dramatic wage increase for over 60% of the workforce in one step.

For the full one-page rebuttal contact Chauna Brocht at the Economic Policy Institute -- 202-331-5537.



Enter Reality — Responses to the Opposition



Living Wage campaigns today can benefit from a wealth of sources. The Political Economy Research Institute's website offers a full list of research on the living wage (www.umass.edu/peril/lwlinks.html). Two separate studies examined the impact of Baltimore's law at least one year after being in effect. Research by Robert Pollin and Stephanie Luce estimated the impact of Los Angeles's Living Wage. Their book, *The Living Wage: Building a Fair Economy* (New York: New Press, 1998), not only provides the original LA study data and methodology, but also estimates, in the LA context, the impact of a contract-only law and an across-the-board rise in the minimum wage. A growing number of researchers have used Pollin's methodology to develop estimates for laws across the country. Most recently, the Brennan Center conducted an excellent survey of officials in 22 cities and counties with living wage laws. These administrators provide a candid look at how living wage laws did and did not impact their local contract and economic development programs. Together this research, as well as some basic common sense, can demonstrate convincingly the utter falsity of the bulk of the opposition's arguments.

The Living Wage Will Not Bankrupt Government

Dire predictions of huge costs are usually based on questionable assumptions. Typically, the opposition's research assumes that the entire cost of the Living Wage will be passed on in increased contract costs. Their numbers assume that the city has no bargaining power with contractors, but must helplessly pay all cost increases. In fact, the bidding process is competitive and subject to negotiations. According to both studies on the Baltimore Living Wage, the law did not increase overall contract

prices to the city. The costs of the bids actually rose below the rate of inflation. The EPI study does note that within the overall averages, cost changes between 1994 and 1997 did vary considerably -- from an increase of 16.6% for janitorial services to a decline of 8.2% for the Summer Food Service Program. However, even within each sector cost changes varied. Janitorial contracts increased spanned from a low of 0.8% to a high of 54.6%. Both Baltimore studies found that overall contract bids increased below the rate of inflation. The Brennan Center similarly found that, while some individual contracts increased, overall the city officials found no significant impact on their contract budgets. Those that had budgeted money to cover living wage increases found that they had overestimated the rises in contract costs.

The opposition quite falsely assumes that contractors must pass wage increases on into prices. However, wage increases typically amount to only a small portion of an employer's total expenses. In Baltimore, several affected contractors reported that the Living Wage had increased productivity, saving them money. "The living wage law makes recruiting much, much nicer and makes the turnover factor much, much lower", Tom McGowan, president of Broadway Services, told reporters. "If you work for a company that pays more, you want to hold onto that job."

The opposition will also overestimate the costs of Living Wage increases. In Kalamazoo, for example, the Office of City Manager conducted a survey of firms contracting with the city. In doing so they broke two fundamental rules of survey research. First, their method for contacting firms provided open ground for sampling bias. The City Manager mailed out survey to only 80 of the 721 contractors potential covered by the proposed law. Of these only 29 actually mailed completed forms back. Those contractors who chose to reply are arguably those most opposed to the law. The researchers then biased the results a second time by explicitly explaining in their cover letter that the survey results would be used to evaluate the feasibility of a law which could cost them money! In other words, their survey simply gave employers opposed to the law a chance to claim all kinds of dire consequences in the name of "neutral" research.

Given the study's built-in bias, amazingly only 12 out of 29 contractors said that they would need to raise

their contract bids if they were required to pay a Living Wage of \$8.25 an hour plus health benefits. Interestingly, the respondents' data also suggested that 38% of their workers who were covered by the law would gain from the wage requirement. The twelve who claimed necessary bid costs projected increases averaging 5% — a figure which the researchers used for all 721 contractors to come up with a \$350,000 tax bill. In other words, the study used the unsubstantiated claims of the dozen employers most opposed to the law to estimate the Living Wage's fiscal impact!

While the opposition claimed the LA ordinance would cost \$93.3 million simply for contracts, Pollin's research put the total costs at \$68.1 million for **both** government and businesses — with most of the cost born by companies receiving subsidies. Actual experience with the Living Wage has revealed only modest administrative costs. Baltimore's budget revealed that a trivial \$121,000 (17 cents per taxpayer in the first year) had been needed to set up the Living Wage's enforcement mechanisms. Pollin estimated the costs of five new "management analysts" needed to monitor the LA law at \$255,000 with overhead.

Living Wage supporters may not even have to engage in a debate over number-crunching estimates. The opposition's own numbers can be used against it simply by placing cost figures in their proper context. For example, the LA opposition's sum of \$93.3 million may sound daunting. However, the full 1996 budget for the city was \$3.4 billion. Even more dramatic, the Chicago opposition's claim of a \$19.8 to \$36 million tax bill largely disappears as less than one percent of the city's almost \$4.5 billion budget. Indeed, as economist Ron

The Cost Savings of a Living Wage

For the past ten years CCH Incorporated, a leading provider of human resources and employment law information, has conducted an annual survey of unscheduled employee absences. While the 2000 survey found that employee absenteeism had declined for the second year, the costs of worker no-shows continued to be high. Three out of five workers took three or more unscheduled absences a year. While absences averaged 1.3 percent of surveyed company's annual payroll, companies put aside 2.6 percent of their payroll on average to cover possible absenteeism. Either proportion is much higher than the average costs need to pay a living wage (which are under one percent overall). Research on Baltimore pointed to reduced employee turnover and absenteeism as one of the chief employer benefits of paying a living wage.

Baiman testified before the city council, Chicago was spending \$27 million dollars to build a new lake side park, yet supposedly could not afford to raise the wages for thousands of its lowest paid citizens.

In most cases the opposition will not produce any numbers, but rely on unsubstantiated hysterics. Simply obtaining the municipality's overall budget and the amount which goes to contracting should help put the issue into perspective. Even a drastic 10% increase in total contract costs (highly unlikely) would probably still produce less than a one percent effect on the overall budget.

The Living Wage Will Not Cost Jobs

Thankfully, today campaigns can point to a wealth of research showing that the living wage will not cause job losses. This list includes David Neumark at Michigan State University. Neumark built his reputation as a prominent critic of the new generation of studies questioning the theory that increases in the minimum wage produce job losses. Neumark was the principle author of the Detroit Chamber of Commerce report trashing Detroit's living wage law. In that report, however, he admitted that his claims were theoretical -- actual data needed to be collected. In the summer of 2000, he released a statistical study comparing twelve cities with living wage laws to those without such ordinances. Not surprising, while he could find no evidence of significant job loss, he did notice significant income gains among low-wage workers as a result of the living wage. "I'm no longer ready to dismiss these policies out of hand," said Neumark. *Business Week* covered Neumark's research in a September 4, 2000 article written by Steven Brull entitled "What's So Bad About a Living Wage?" *Note that some living wage researchers question whether the methodology used by Newmark can really capture any impact good or bad. The Political Economy Research Institute has produced a critique of Newmark's methodology. His value is mainly as an opponent who changed his tune.*

The opposition will claim that consensus exists among economists that employment declines when the minimum wage rises. And they will cite several studies which "prove" this claim. For example, the Chicago report cited a study by right-wing economists Kevin Murphy, Donald Deere, and Finis Welch "showing" that teenagers and adult high school drop-outs faced relatively

Emphasize the Benefits of the Living Wage

While countering the opposition may prove necessary, a campaign should always keep its focus on the benefits of the Living Wage. Poverty-wage workers are not the only ones to gain from Living Wage policies.

Workers well up the income stream may see their incomes increase as the wage floor moves upward. With workers paid a Living Wage, tax payers will no longer subsidize low-wage employers. The Pollin research estimated that the public assistance going to a family of four with one wage earner in LA would drop from \$9,792 to \$5,922 a year. At the same time their disposable, after-tax income would increase by 13.3 percent. We should note that the Chicago study does make a valid point that most of this tax saving does go to state and federal programs. However, this result is only an issue if one incorrectly assumes that the local municipal budgets will have to bear significant cost increases.

The general economy can benefit from the Living Wage. The Chamber of Commerce may act as if the only way of encouraging economic activity is to place more wealth and power into the hands of investors. However, the most cost-effective way of putting money into an economy is to place it in the hands of the lowest paid. Rich investors can use new wealth in many ways other than job-producing investment. Poor people, however, need to meet the basic family needs. Any increase in their wealth is spent in the local economy.

As Living Wage dollars are passed from the original worker to neighborhood business to suppliers to manufactures, the benefits of Living Wages multiply throughout the economy. Living Wages raise consumer demand in the greatest way possible. And increased demand means likely increases in local employment. Ken Blum, for example, conducted a recent study published by the Midwest Center for Labor Research estimating the effects of a \$16.1 million wage increase for 1565 non-union food and commercial workers in Los Angeles. Blum es-

timated that such an increase for the workers at Superior Grocers Warehouse would produce \$12.1 million in new consumption leading to the creation of 208 new jobs.

Business often talks as if the forces of competition and the market are beyond conscious human intervention. The truth is that competition and markets have always been structured by government policy and social demands. Companies no longer manufacture cocaine, for example, because society passed laws rendering this market illegal. Business opposed local laws against child labor, yet today such prohibitions are taken for granted in this country. In the same way, society must decide what kinds of wages and working conditions it requires. In the Brennan survey city officials argued that the quality of bids increased after passing the living wage as more companies were attracted by the level wage playing-field.



Fly Safer with Post-September 11th Living Wage!

A year after passage the Quality Standards Program at the San Francisco Airport a team of researchers investigated the impact. Their conclusion: paying living wages and providing training and input for security workers produced clear increases in job performance, reduced turnover, and greater ease in recruiting applicants. For the study go to:

www.iir.berkeley.edu/publications/pdf/air_sep01.pdf

large employment losses following the 1990-1991 increase in the minimum wage (see American Economic Review v. 85 n.2, May 1995). The negative employment impact of higher wages may be an article of faith among conservative or neo-liberal economists. Chicago Living Wage activists, however, pointed to a statement signed by 101 of the nation's prominent economists, including three Nobel winners, stressing that "the minimum wage can be increased by a moderate amount without significantly jeopardizing employment opportunities." These economists are backed up by a wealth of alternative research on the minimum wage. Decades of national data reveals *increases* in the rate of employment during the periods in which the federal minimum wage has been raised.

Similarly, studies of states with a minimum wage higher than the federal standard reveal no connections to employment levels. Princeton economists David Card and Alan Krueger examined the impact of New Jersey's 1992 raise in its minimum wage from \$4.25 to \$5.05 an hour. They compared employment behavior in the fast food industry between New Jersey employers and those neighboring eastern Pennsylvania which did not face an increase. They found no loss of employment. If anything, New Jersey employment increased. The fact that higher minimum wages did not jeopardize employment in such a wage-dependent industry as fast-food, puts serious doubt on the entire claim of a supposed connection. In their comprehensive book, *Myth and Measurement*,

Card and Krueger successfully refute the simplistic relationship between minimum wages and employment.

Research conducted on the impact of local prevailing wage laws and their repeal paints a similar picture. Economist Peter Phillips found that not only did prevailing wages not negatively impact employment, but they encouraged higher levels of training. Employers forced to pay higher wages have an incentive to invest more in their employees in order to raise their value to the company.

Not surprisingly, both Baltimore Living Wage studies found little evidence that contractors had reduced employment in response to the Living Wage. In interviewing workers, the researchers asked workers about possible reduced work hours and also found no negative impact. The Pollin team's breakdown of the LA law's estimated impact helps explain why employment does not suffer. For most firms, the costs of raising their bottom wage levels involves a tiny fraction of their budget. Overall, the estimated \$68.1 million in costs from the Living Wage amounted to less than one and a half percent of the effected firms' \$4.4 billion total production expenditures. Research found that only six percent of employers impacted by the law would experience significant cost increases averaging 11 percent. Most of these could successfully absorb these costs, especially since they might be offset by benefits in higher worker morale

and lower turnover. Only six firms, out of 668, would face increased costs of a 28.9 percent average. The researchers argued that the city could address the particular needs of these six firms without significant costs to the city budget. For the 616 other firms the cost increases would amount to less than one percent of their budgets.

This broader perspective exposes the questionable assumptions used by the Chicago anti-Living Wage researchers to arrive at its figure of a 13.6% loss of jobs. Their inflated \$37.5 million in wage costs may sound like a great deal of money, but in fact it pales in comparison to affected firms' operating budgets which, like LA, most likely runs into the billions of dollars.

Be it price increases or less employment, the entire opposition's case revolves around treating profits as an untouchable sacred cow. The opposition simply rules out the possibility that profitable firms can simply absorb what amounts to a very modest increase in wage costs. Indeed, the Chicago study arrived at its figure of 1,377 lost jobs simply by holding the current payroll for affected employees constant and then adjusting employment to compensate for the Living Wage. Yet no economist would seriously suggest that a company would lay off workers in direct proportion to the amount of wage increases. Indeed, a closer examination of the study's figures reveal quite unbelievable predictions. According to the researchers, for example, firms with concessions at the city's



Paying a Living Wage Cost VERY Little Money

Research measuring or estimating the actual financial costs of raising wages show that paying a living wage is a quite cost-effective policy. Below is a summary of the research findings relating the costs to firm and city budgets.

Los Angeles – costs average under 1% of firm operating budgets.

Detroit – average 2.5% of the contract; total costs under 0.3% of city budget.

Port of Oakland – under 1% of company revenues.

San Jose – costs to pay \$12.50/hour range between 0.5% and 4% of company revenues.

San Francisco Port and Airport --59 cents per airline ticket; \$1.40 per Port visitor.

New Orleans Minimum Wage – costs average under 1% of firm operating budgets; highest costs are to restaurants at 2.2%.

Baltimore – city costs after first year equal 17 cents per tax payer.

Knoxville – highest possible cost to the city under 0.6%.

Miami-Dade County – between 0.1% and 0.2% of county budget.

airport would cut one out of four of their employees (for a total of 428 jobs lost) in order to pay the Living Wage. Obviously, the very nature of the work suggests that no or little cuts in employment are possible if companies are to maintain their concession businesses.

The argument that employers will replace less skilled workers with more skilled workers may sound plausible in the abstract. However, the nature of such low-wage jobs as security guards, janitors, clerks, light manufacturing, parking attendants hardly suggests such action. The qualifications that employers of such workers say they most value most are such "soft" skills as punctuality, ability to work with others, reliability, etc. Since paying a living wage is likely to raise morale while reducing absenteeism and turnover, it addresses employer's motivational concerns. At the same time, the more workers are motivated to stay at a firm, the more employers have an opportunity to invest in their skill development.

The opposition's bogus jobs claims are not new. For well over a century, employers have used similar predictions for the dire consequences of higher wages when they argue against unionization. Just as with the Living and minimum wage, a mountain of convincing research demonstrates that union contracts do not lead to a shedding of low-skill jobs.

For a thoughtful response to the argument that a living wage means less skilled workers are replaced by more skilled workers see the essay by Amy Hanauer of Policy Matters Ohio in the appendix.

The Living Wage Is Not Anti-Business

Baltimore researchers found no negative impact on business investment in the city following the Living Wage. Indeed, the value of business property within the city, which had fallen in the four years preceding the Living Wage, actually increased the year after its passage. Similarly, the economic development officials surveyed by the Brennan Center found no decrease in the number of companies applying for development subsidies after the living wage went into effect. The one exception, Oakland had had two out of 80 development projects cancelled as a result of the living wage requirements by 2000. Both were retail developments -- leaving open the question why was tax payer money being used to subsidize low paying retail employers in the first place? One eco-

nomie development official expressed the benefit of their living wage law in helping making citizen groups less hostile to economic development subsidy deals since they now required a living wage. In San Antonio the living wage led to further actions around not simply creating living wage jobs, but helping train residents to take those jobs.

The Living Wage discourages low road competitive strategies, not business activity in general. Indeed, Living Wages support high road companies by lessening the opportunities for the competition to undercut them through poverty wages. By establishing the Living Wage, the community is saying it wants competition based on the true entrepreneurial spirit of innovation, quality product, and a healthy and skilled workforce. Workers should not be forced into poverty simply to cover up management's own inefficiencies.

Even firms forced to raise their wage levels benefit from the Living Wage. When Mark Weisbrot and Michelle Sforza-Roderick, authors of the 1996 Preamble Study, interviewed businesses directly affected by the Baltimore law, they received nothing but good comments about the law's impact — despite the fact that many of those interviewed had originally opposed the law and thus had no vested interest in placing it in a favorable light. By paying higher wages companies had noticeably reduced worker turnover and improved employee morale. Such gains had paid off in higher productivity and better quality service. They also significantly reduced costly expenditures of having to recruiting and train new workers. Some contractors interviewed seemed relieved that the law had established a level playing field allowing them to compete on grounds other than cut-throat wage reductions. See chapter five for examples of business people who have organized to support a living wage. In their book on the Living Wage cited earlier, Pollin and Luce provide several detailed examples of LA employers who considered their higher wages and better treatment of employees keys to successful business.

These findings are consistent with much of the research on business relocation strategies. Over and over researchers have concluded that wage costs alone are not the central consideration in most business investment decisions. Many employers, especially those linked to growing high-tech sectors, look to local skill levels, transportation infrastructure, quality of life, levels of business clustering, the educational system, and nearness of suppliers far more than either wage levels or government subsidies. Indeed, any examination of the listings of top

U.S. cities or states for business investment published in various business journals consistently reveals areas with higher wages and government regulations. The question is not one of attracting or not attracting business, but what kind of business the community wants to attract and what kinds of competition it wants to promote. The notion that employers are going to leave the city because of increases in their labor costs that typically involve less than one percent of their budgets simply defies common sense.

In fact, we must argue that investing in workers by using our limited public resources to insist on a Living Wage and to promote decent jobs, education, training, etc. is exactly the kind of high road, long-term investments that will make our communities attractive to businesses over time -- with or without financial incentives. Activists should realize that by attaching a Living Wage to subsidies they can be, in effect, challenging the basic assumptions that drive many local development strategies. For example, city officials in Kalamazoo, Michigan stressed that since their city had fallen on hard times they had little choice but to pursue a jobs-at-any-price strategy. "If we require a Living Wage for companies receiving tax abatements from the city, they will simply locate just over the border" — is how the argument went. Better to have poverty jobs than no jobs at all.

An increasing number of studies question this prevailing "jobs-at-any-cost" logic. Distinguishing between low and high road companies offers a good framework for reply. Does the community really want to attract firms whose main preoccupation revolves around paying low wages without restrictions from local government? How much community loyalty are such companies going to practice once they have made their fortune in our cities? Activists should stress that tax abatements to poverty-wage employers cost the city dearly. Indeed, by giving away its tax base, a city sacrifices its budget. It then has to cut back on the very investments that attract high road companies. Indeed, since school budgets are closely linked to local property taxes, public education is often the biggest victim of overly generous subsidy programs.

Finally, by permitting low wages, local governments are simply encouraging bad management. Firms have less incentive to innovate or improve the productivity of their workers if they can compete simply by driving down wages.

Replies to the Other Arguments

Since the opposition's three central claims are wrong, their corollaries also fall by the wayside. Many small businesses are usually exempted by Living Wage thresholds. Thus, they can only benefit from your law. Case studies of actual poverty-wage workers offer the best rebuttal to the suggestion that people are being paid what they are worth. Putting a human face on the issue makes clear that the affected workers are not teenagers, but adults working hard to raise a family. Wage levels are not simply about the worth of a person's labor. If so, then both the minimum wage and overall wage should have risen far faster as productivity has increased dramatically over the past several decades. In reality wages reflect who has the power to determine how the products of the workers' labor gets distributed.

Since workers will not lose their jobs, they can only benefit from the increased wages and greater incentives for their employer to invest in their training and well-being. It is true that the Living Wage will reduce people's use of government assistance. However, obviously people would far rather earn an income than be subject to often degrading and insecure public assistance. The Chicago study's figures on the lost assistance picked the optimal case for their argument — a family of four with only one wage earner who received the lowest possible full-time wage. Even using these numbers, however, the opposition's research points to \$1,626 more a year. As any poor person could testify, this \$135 more a month translates into food, clothing, an automobile, etc. In addition, as welfare reform has demonstrated, the ever-shrinking public safety net is far from stable.

The campaign's own case for the Living Wage should make clear why training and education, while certainly welcome, are not answers to poverty wage jobs. An individual may raise their income by increasing their qualifications, but someone else will simply replace them at the same poverty job. Indeed, with half of the twenty top growth job categories paying below \$20,000 a year, education and training may not even work at an individual level. In short, while our campaign can certainly support training, all the education in the world won't help if employers are not creating family-supporting jobs.



Non-Profits

Non-profits are a touchy issue. Their financial resource levels and employment practices can vary considerably. Many provide vital human services and are critically underfunded. On the other hand, people who dedicate themselves to helping others should not qualify for public assistance themselves.

In 2000, researchers in Detroit conducted the first study of non-profit organizations covered by a living wage law (see summary on the next page). The results showed that while the opposition's arguments were generally not accurate, some organizations within the non-profit community did need financial help. Fortunately, the costs of raising wages -- when compared to the city's budget or the overall amount of funds given to non-profits through the city -- proved quite modest.

As the living wage movement has developed, campaigns have begun to redefine the debate over non-profits from one of exempting or covering them to the issue of ensuring that all non-profits have the funds necessary to pay a living wage. Few non-profit directors actually want to pay low wages. Indeed, many non-profits struggle with the problem of staff turnover that comes from not offering a sustainable salary. That non-profits may not always pay a living wage is also a public concern as these workers are hired to take care of children, the infirm, the elderly, those with substance abuse issues, etc. The purpose of many of the programs operated by non-profits is to hold together the basic fabric of society. They can hardly do this well if their staff are constantly struggling to make ends meet themselves on poverty wages.

If society wants the human services which non-profits provide they have to provide them adequate resources.

Many non-profit staff complain that they have become so responsible for meeting so many human needs because two decades of right-wing budget cutting pulled government out of the business of running such programs. If the "big government" cost-cutters are going to pass the buck to non-profit employers, they have to provide the funds to actually do the job.

In short, campaigns want workers to be paid a living wage and most non-profits that are not meeting this goal would certainly be pleased to do so. Such are the seeds of an alliance. If activists do not address the need to increase funds, however, they risk pushing some well-meaning non-profit staff into opposition. However, if they recognize the need to establish targeted pots of extra money they can turn the bulk of the non-profit community into strong allies.

The Pittsburgh campaign illustrates this path. In seeking a living wage at the county level organizers knew that a large portion of the covered workers would come through non-profit employers. To prepare for their campaign, organizers pulled together information about these jobs. They helped push for an update of a 1989 state-wide survey documenting the problem of poverty wages in such human service industries as day care and mental health. Community-based mental health/mental retardation programs have a 42 percent annual turnover of staff according to a state Legislative Budget and Finance Committee Report. They also linked up with a petition effort led by Donald Short urging state authorities to allocate more money for low-wage human service providers. Short, who has cerebral palsy, was tired of the revolving door of care givers he received due to the low wages paid by providers dependent on state and federal funds. Using the cost estimation techniques developed by Robert Pollin (see chapter six), the living wage campaign developed an estimate of the funds needed to provide county human service providers a living wage. In the process, the campaign contacted non-profits about their wage difficulties and convinced several to go public about the turnover and other problems caused by low wages.

In introducing their living wage law, campaign activists have called for concrete measures to increase funding to those non-profits most in need. With most of the human service funds flowing from the state level, the campaign has pushed the county to join efforts to lobby state authorities for additional funds specifically slated for wages. In the meantime, activists have called on the county to do its share by establishing a pool of funds available to help covered non-profits pay a living wage.

The Detroit Non-Profit Study

In the summer of 2000, researchers at Wayne State University released the first detailed survey of non-profit organizations covered by a living wage law. The Detroit living wage law covered a total of 96 non-profit employers. Using the survey research facility at the Center for Urban Studies, a phone survey successfully contacted 64 non-profits to obtain basic information on wages, employment, experiences under the living wage law, and questions and comments. Fifteen of these organizations, those who pointed to potentially the most serious negative effects, were interviewed further to fully document the living wage law's impact on them.

The study found that two-thirds of non-profits have already self-consciously implemented the living wage law. Factoring in existing wage levels, over 80% were in actual compliance. Several hundred workers gained from the law. Generally, only a small proportion of workers at each non-profit were covered. However, when added together they became a sizable workforce estimated at 1,739 non-profit employees covered. Half of non-profit staff actively supported the living wage ordinance. Only twenty-nine percent of those surveyed opposed it. The rest were neutral.

When asked to rate the impact, two-thirds of non-profit staff placed the financial impact on their organization as "minimal" or "minor." Of the remaining third, researchers interviewed staff in depth at ten non-profits. Their compliance costs ranged from 2% to 36% of the funds received through the city. In terms of their overall budgets, the costs ran from well under 1% to a maximum of 6% of their total annual budget. Generally, the financial problems in implementing the living wage came not from the actual amount in relation to the organization's overall budget, but the fact that much of the funds used by non-profits are allocated for specific purposes and can not be easily moved. Non-profit fund seekers also have difficulty obtaining funds specifically for salaries, especially if the request is for mid-budget supplemental funds.

Several non-profits were concerned about the effect on their internal pay scales. The living wage requirements can raise salaries of low-skilled and/or newly hired workers to levels comparable to college-educated and/or more senior staff. Non-profit employment all too frequently relies on highly qualified and educated staff working for low wages. Several non-profit staff also expressed opinions that the work of covered workers was "not worth

more than they are paid." The living wage ordinance raises a basic debate over the essential value of work. Are there cases in which an employer can justify paying an adult below the poverty threshold?

Detroit's living wage law had not led to drastic cuts in either employment or services provided. Researchers could identify only two part-time workers who had been laid off as a result of the law among 64 organizations studied. The more serious adjustments involved mainly reduction in staff hours among a small proportion of employees, cuts in supplies for client events, or other measures to trim program budgets. A few non-profits had a significant number of workers employed below a living wage and had held off implementing the law due to financial constraints.

Overall, most non-profit employers are able to comply with a living wage law. The concerns raised by critics of a mass crippling of the non-profit sector are exaggerated. However, a small portion of non-profit organizations do face financial problems in implementing a living wage, full enforcement of the ordinance should include a pool of funds to aid those organizations most vulnerable. Because the costs of raising wages among Detroit non-profits is relatively minor when compared to the funds involved, such a living wage fund supplement would not be a burden to the city.

The report recommended a specific policy of:

1. Targeted exemptions for the kinds of part-time or temporary employment that involved youth, interns, and genuine training programs.
2. Targeted supplemental funds -- non-profits must demonstrate clear eligibility such as compliance costs that exceed one percent of the organization's annual operating budget and five percent of the funds received annually from the city for a given program.
3. Clarity on living wage coverage -- the city must fully explain the living wage to non-profits and be clear on what workers are covered by funds provided.
4. Phase in period -- since non-profits often seek outside government and foundation support to fund their operations, the time period in which the living wage is to take effect should be long enough so that non-profits can work through their grant-writing cycles.

By making a demand for additional funds part of the living wage effort, the Allegheny County campaign gained a solid core of non-profit allies. It also silenced those non-profit directors who, for ideological or other reasons, may not support the living wage, but have not been willing to denounce an effort committed to increase the non-profit financial pie. In December 2000, the coalition won a major victory when the county agreed to allocate \$1 million to pay for living wage increases for human service workers employed by county-funded non-profits.

The campaign in Santa Cruz followed a similar strategy fund-seeking strategy for both their city and county living wage efforts. By talking with non-profit directors, board members, and workers, activists documented the issues and won vocal living wage supporters. The campaign pushed the county to establish a \$250,000 fund dedicated to living wages.

In Minnesota, the state has a surplus, while county governments are starved for funds. Activists there have pushed for living wage money sector by sector. Following a successful effort to win state nursing home appropriations specifically for wages, activists by 2001 were pushing a similar action for childcare workers. With such workers averaging wage levels below eight dollars an hour, the case for more funds is compelling. Furthermore, unions representing these workers in Minnesota have hit up against non-profit employers who continuously cry poverty at the bargaining table. Pushing the state legislature to provide childcare workers a living wage also provides an obviously popular cause.

The Best Defense is a Good Offense

The best time to begin countering the opposition comes before they have made their moves. The more pro-actively a campaign approaches employer opposition, the more likely it will retain the initiative and win a Living Wage.

Pro-active Public Relations

The campaign's own publicity should refute the opposition's claims well before they are made. The Chamber of Commerce's arguments will be strong on glitz and fear-mongering, but generally weak on substance. Anticipate the scare tactics and provide people the basic facts ahead of time.

The opposition use the "big lie" in which they deliberately misrepresent your proposed law in a barrage of media events. Lies told often enough can begin to seem true. In Ypsilanti, the Chamber of Commerce held a "debate" (no one from the campaign was invited) at a conservative church at which a person from the Detroit Salvation Army told reporters that the Living Wage would harm churches and other non-profits because they were tax exempt. Unfortunately, the City Manager added to the lie by confusing tax abatements (covered) with Federal tax-exempt status (not covered). Repeatedly over a two month period, the opposition brought before the media business people and non-profits **not** covered by the law who nevertheless claimed they would be crippled by the Living Wage. The danger of such tactics is that through sheer volume of media coverage the opposition simply drowns out the facts. Most reporters do not have the time or inclination to investigate a story. They will report what is handed to them. Make sure that you have more stories, personalities, and facts worthy of news than your opponents. And make sure that you have a continuous line up of media events so that reporters are always hearing from you and not just the opposition.

The campaign should reach out to the media early and foster direct relationships with reporters likely to be assigned to the story. Bobbi Murray, who directed the LA Living Wage Campaign's media effort, has described their media effort with the *Los Angeles Times*, the local paper with the most political clout. Murray wrote that "Work began early to meet with reporters to put a human face on the need for a Living Wage. It was essential to introduce journalists to stories of the people working for city contractors for \$4.50 an hour with no sick days or benefits. When the *Times* stories came out, they weren't great. They still had the expected pro-business bias, but did, at least, also include the compelling human-interest side."

The Chamber of Commerce should not be allowed to present a business-united front. While business leaders may not exactly line up to be on an "Employers for a Living Wage" endorsement list, campaign publicity efforts can benefit enormously by having even a small number of businesses willing to come forward publicly to explain how a Living Wage benefits them. Likely companies include unionized firms with good labor relations and Living Wage employers faced with particularly low-wage competition. In Los Angeles, for example, two top executives from Bell Industries and Pioneer Foods wrote an opinion piece published in the *Los Angeles Times* de-

fending the Living Wage from the standpoint of their company's successful policies of higher wages. In addition, thirty-three Hollywood film and television producers sent a letter to the LA city council urging passage of the Living Wage ordinance.

The Chamber of Commerce will also try to conceal the reality that much of the opposition to the living wage comes from self-centered large businesses by finding other groups -- especially non-profit, churches, and small businesses -- to join an anti-living wage letterhead "coalition". Campaigns should aim to contact these likely groups before the Chamber of Commerce gets to them.

Legislative Outmaneuver

Several campaigns carefully timed the legal introduction of their Living Wage ordinance. By placing their law relatively late into the formal process and then moving quickly through official channels, activists left the hostile employers with little time to mount effective opposition. While your campaign can talk about the Living Wage for some time, a late introduction denies the opposition the fixed target of an actual piece of legislation.

To pursue such a strategy you need solid legislative support. Ideally, when organizers formally introduce their law, they should already know which committee it will go to, how that committee will respond, and how the council will actually vote. Achieving this level of certainty requires a person-by-person, councilor-by-councilor lobbying effort.

The campaign should attempt to contact every member of the local council, as well as the mayor, to know what each person feels about the Living Wage, their questions and concerns, and their commitment on concrete legislative action. This one-on-one contact should include outreach to elected officials who seem ideologically opposed to your progressive activism. Living Wage proponents have found strange bed-fellows. Small "c" conservative councilors have been known to support the Living Wage. After all it promotes the basic notion of independence through hard work and a return on investments of tax dollars. And all politicians know when to follow the winds of opinion in their election districts if they know that a group will be organizing voters behind the cause.

In building council support, especially among clear allies, campaign activists should discuss the process for passing the living wage, in addition to the details of the

Boston Business Journal **Laments Living Wage Win**



On August 18, 1997, the *Boston Business Journal* offered a telling analysis of why the "disastrous" living wage ordinance had become law. It focused on two reasons. "First off, I have to tip my hat to the local unions [the author fails to acknowledge ACORN's central role]. They ran a superb campaign....They lobbied the city council. They lobbied the media. They lobbied everyone. They took nothing for granted. They won."

Most of the *Journal's* words, however, were reserved for chastising the local business community, including itself.. "The mayor's office all but said: Why didn't you dopes in the business community speak up early? A few people did, but only in the past week or so. For the most part the business community was asleep at the wheel. It was complacent. It was dismissive. It didn't understand the true ramifications of the 'living wage' ordinance. It assumed something so ludicrous couldn't get so far. After all, who needed to argue the merits of leaving the free market system alone when the economy was humming along so nicely?"

ordinance itself and the commitment to vote for it. Having a clear majority consensus on the process can help head off the opposition's legislative maneuvers to "study", delay, or otherwise water down the ordinance. The timing of hearings should be set in conjunction with your campaign's timetable, not the opposition's. The campaigns should also discuss with council allies the likely supporters and opponents within the city administration. Any internal city research, legal assessment, and enforcement responsibility should be ideally done by those parts of the bureaucracy most supportive of the living wage.

In one-on-one lobbying, the activists can find themselves interacting with officials who know how to appear supportive while in reality are undermining your cause. Campaigns can benefit enormously from the support of individuals with the legislative experience and personal contacts helpful sorting out the truth from maneuver. We should also add that an effective campaign will also genuinely educate many councilors. For example, few on the LA city council realized the full gravity of poverty-wages, with over one-third the city workforce earning under \$15,000 and a full half making less than \$20,000. This in a city where the rent for a two-bedroom apartment averaged \$855 a month, or \$10,260 a year.

Two New Opposition Tactics



As the living wage movement grows stronger, so do attempts by the moneyed interest to oppose our efforts. Aside from the local tactics that have already been discussed, members of the business community and their associations have recently embarked on "back-door" strategies to repeal or prohibit living wage laws.

State Legislative Preemption

Unable to beat living wage campaigns on the ground, anti-living wage forces seem to be relying on a new tactic of state legislative preemption. Business groups are urging elected officials at state legislatures to introduce bills that aim to prohibit various local wage increases. Such laws are already on the books in Arizona, Colorado, Louisiana and Missouri. These laws declare minimum wages a "matter of statewide concern" and prohibit any political subdivision of the state from "establishing, mandating or otherwise requiring a minimum wage that exceeds the federal minimum wage." Similar laws and ones that go further and explicitly restrict laws that require higher wages be paid to city service contractors have been or are being proposed in states such as Michigan, Kansas, South Carolina, Utah, Oregon, Tennessee and Virginia.

These laws can and have been beaten. Kansas legislators first proposed anti-living wage legislation in 1999 but succeeded only in galvanizing local living wage campaigns and the state AFL-CIO to form a state coalition to defeat the bill. That new state coalition has now begun to organize for an increase in the state minimum wage as part of a long-term economic justice agenda in the state. In February of 2001, local living wage activists from Alexandria, Richmond and Charlottesville, VA waged an intense campaign to defeat that state's proposed living wage ban. In Michigan, the Chamber of Commerce twice attempted to pass a state law banning local ordinances deemed in conflict with the state minimum wage. Amid an uproar by living wage supporters the measure ultimately failed due to Republican disagreements over the inclusion of a provision also outlawing local prevailing wage. When a looming budget shortfall prompted the state to consider aid cuts to towns and cities in 2002, living wage opponents circulated a proposal to penalize cities with living wage ordinances by reducing their state revenue sharing by a full ten percent. Although this blatant retaliation never lasted past bi-partisan budget negotiations it did scare two Detroit suburbs into repealing or voting down their living wage laws.

Lawsuits

Until late 2000, the only living wage lawsuits to speak of were those brought by aggrieved employees who were not getting paid a living wage or who had suffered retaliation from employers for speaking out on the living wage (several ordinances explicitly prohibit such retaliation). As of November 2000, the first two living wage lawsuits were filed by business opposition – in St. Louis and Berkeley, CA.

The St. Louis lawsuit was brought by a coalition of business groups including the Associated Industries of Missouri and the Regional Chamber and Growth Association. The plaintiffs argued that the living wage law – passed overwhelmingly by St. Louis voters in August 2000 – was prohibited under a state law passed in 1998 which prohibits cities from establishing minimum wages that exceed the federal minimum wage. The lawsuit was being fought by members of the St. Louis Living Wage Campaign, including ACORN, SEIU, other labor and religious allies and low wage workers who stand to benefit directly from the law. With legal support from the Brennan Center for Justice at NYU, the Campaign argued that a living wage law that applies only to firms benefiting from public money - as did the St. Louis law - was distinct from a "minimum wage" law as proscribed in the 1998 state law. The judge struck down the law for technical problems, but made clear that the city did have a legal right to have a living wage ordinance. The coalition won such a law in 2002 by a 24-2 vote of Alderman.

The Berkeley lawsuit was spawned by the portion of that ordinance that applies the living wage to all businesses located at the Berkeley Marina, regardless of receipt of public money. As yet, Berkeley's is the only such "place-based" living wage law (Santa Monica is proposing similar coverage). In this case, the lawsuit was brought by a restaurant that would be covered by the law.

It should be noted that both lawsuits stem from unique circumstances – a pre-existing state law and an uniquely-broad living wage law. Nevertheless, both of these conditions are potentially relevant to current campaigns and the lawsuit tactic is one that the opposition is sure to increasingly wield.

Opposition from the Left

While hostile employers provide the main opposition, Living Wage organizers should be sensitive to possible criticisms from the campaign's supporters. The most frequent arguments in this regard point to your ordinance's inadequacies. The Living Wage may not cover that many workers directly and the wage amount may still seem quite modest. Oakland's original ordinance was expected to cover fewer than 500 workers, Boston 1,000-1,500, and the original estimates in Baltimore of 4,000 workers have been revised closer to 1,500. We should note that more recent campaigns have increased such numbers by broadening their coverage. For example, by covering non-profits and including place-based coverage at their airport San Francisco's living wage law is estimated to directly help 22,000 workers. New York City's will benefit an estimated 80,000 workers. Activists can address supporters' concerns at two levels.

The Living Wage has a Real Impact

The low costs come from the small portion of a firm's budget that goes to low-paying jobs categories, not from a necessarily tiny number of workers effected. For workers effected by your ordinance the impact will be real. Pollin's team estimated the real increase in disposable income plus health care for a family of four with one wage earner would go from an average of \$18,795 before a Living Wage to \$21,290 after. According to 1995 national figure, 42% of workers earning under \$7.25 an hour were the sole supporters of families. For a family living on a poverty budget, \$208 more a month is quite significant.

Low-wage workers benefit from the Living Wage in additional ways. By increasing both their overall income and the proportion earned through wages, the Living Wage increases a family's qualifications for bank loans and other forms of credit. This in turn can help increase the community's rate of

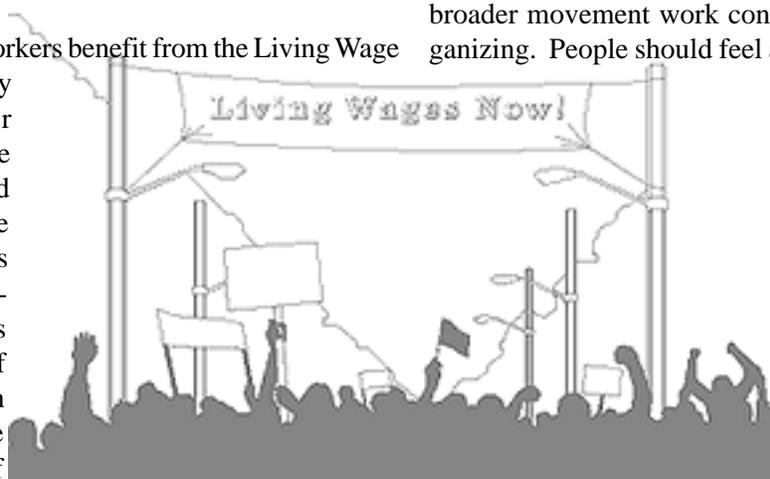
home ownership. By reducing dependence on often degrading government assistance, the Living Wage provides poor families greater sense of dignity and independence. These same benefits will also effect workers earning above the Living Wage as the raises wage floor pushes their incomes up as well.

The Living Wage is a First Step

While the benefits are real, Living Wage campaigns should not claim more than the law will deliver. In Los Angeles, the Pollin team estimated that 7,500 workers would be directly effected by Living Wage raises while another 10,000 might see their incomes increase through the ripple effect. The total comes to less than one percent of the city's total work force and fraction of the 870,000 estimated to benefit from a hypothetical \$6.50 city minimum wage increase.

Clearly, the Living Wage by itself will not eliminate poverty wages. However, it is simply a first step on a broader road. Few Living Wage organizers have seen their efforts just in terms of passing a law. Living Wage campaigns provide an opportunity for pulling together the seeds of a grassroots movement for a better economy. The issues raised by Living Wage organizing resonate with people because they cut to the core of what has been happening to working people in this country. In addition, Living Wage campaigns demand a level of accountability by business and elected officials that requires far greater public debate and participation in decisions affecting working families and how public funds are used.

In the last chapter, we will detail examples of broader movement work connected to Living Wage organizing. People should feel a sense that they are part of a larger movement. Indeed, Living Wage organizing is happening today across the country in every type of community. Historians may very well look back on this up-swell as having laid some of the seeds of the great economic democracy movement of the early twenty-first century.



Chapter Eight

Implementing and Enforcing the Living Wage

The experience of Portland, Oregon well illustrates the importance of building a coalition campaign that continues well after a Living Wage law has been passed. Portland's original Living Wage ordinance became law largely on the initiative of progressive city councilors. There had been no campaign. No coalition had formed. No momentum established. And no deliberate grassroots plan to enforce the Living Wage had been developed. Two years later, when organizers began an effort to expand the law, they found that little had happened. No data had even been collected on businesses compliance. It seemed that officials and contractors who wanted to avoid the law had found ways to do so.

Putting the Living Wage into practice involves two specific dimensions. The campaign must insure good implementation details undergird the Living Wage. However, even with the best mechanisms, enforcement cannot be left to government administration. Living Wage organizers should plan on establishing their own coalition-based efforts if they want the Living Wage to be a reality. Thankfully, enforcing the Living Wage can provide further opportunities to organize for social and economic justice.

Implementation Rules

Ordinances lay out the essential provisions for governmental action. Once passed, an administration has to take these general rules and fill in the details necessary for actual implementation. These may take the form of formal rules laid out and approved in detail. (Los Angeles, for example, produced nine pages of rules and regulations. Building on LA, a draft of Oakland's rules and regulations runs sixteen pages.) Alternatively, the administrative body may simply develop policies as it implements the law.

As the summary of LA and Oakland on the next page suggests, what gets placed in the Living Wage rules and regulations is no small matter. What has been won in general provisions can be weakened or lost through ineffective and cumbersome procedures. If explicit documentation is not required, and made public, activists and



pro-Living Wage authorities may have a difficult time determining if the Living Wage law is working.

Based on the local situation, campaigns must decide how far they would like to be involved in the details of implementation. If the campaign wishes to be involved in the design or actions, access to such participation should be laid out in the ordinance. For example, at a minimum the law should mandate that any formal implementation rules and regulations be approved by the city council through a public process.

Clear Sailing in Los Angeles and Ann Arbor

Getting implementation rules can be relatively easy and straight forward or involve considerable struggle. An example of the former comes from Los Angeles. The campaign had acquired such momentum and support on the city council that coalition members and their lawyers participated directly in the five to six month drafting period to produce good, strong rules and regulations that clarified and even strengthened the potential benefits of the ordinance. In Ann Arbor the campaign did not need to be overly concerned with the details of implementation since this had been placed in the hands of supportive administrators. It did have to intervene along with its city council and mayoral supporters when questions arose as to whether the Downtown Development Authority and its parking structure contracts were covered by the living wage.

Employers Counter-Attacks in Boston

The Boston Jobs and Living Wage campaign had a major struggle. Having been out-manuevered in the passage of the law, the Chamber of Commerce organized to gut implementation. Opponents enjoyed a year between the law's passage and its scheduled date to take effect. During this time, Chamber of Commerce lawyers combed

Summary of Los Angeles and Oakland Rules and Regulations

Both the Los Angeles and Oakland rules and regulations cover six general areas:

1. Definitions and Specifications

These provisions further clarify and add detail to the definitions laid out in the actual ordinances. Definitions are important. For example, in Oakland's rules and regulations loans are considered financial assistance covered by the Living Wage when they are made below the market rate. Similarly, city property which is sold or leased below fair market values is also covered. Businesses that become tenants, leasees, or licensees of companies covered by the Living Wage must also comply with the law if they employ twenty or more employees for at least twenty weeks out of a year.

Oakland's regulations also specify that the Living Wage does include certain funds that originate from state and Federal sources. A report prepared for the City Manager by the Contract Compliance Division argues that funds which are offered or administered through the city, such as Community Development Block Grants and Housing and Urban Development money is covered by the Living Wage. State enterprise zones and Federal Welfare Opportunity and state Welfare-to-Work tax credits are not covered because the city neither offers nor administers these programs.

The rules and regulations also include important definitions for which employees are covered. Oakland specifies workers providing services related to a city contract and employees who spend at least half of their time on work covered by financial assistance. Los Angeles' document supplements its ordinance with detailed examples of full and part-time job categories covered.

Both LA and Oakland's documents detail exactly what each element of the Living Wage requires. For example, Oakland's rules specify not simply the hourly wage amount but also April 1 as the date by which the rate must be adjusted based upon the December 31 Bay Region Consumer Price Index. Both LA and Oakland detail how the required twelve vacation days are calculated and accumulated for both full and part-time employees. They also require employers to submit proof of any health insurance provided.

The compliance period offers another area which may require detailed specification. Oakland's regulations specify a five year period for financial assistance, spelling out what that means by each type of assistance. They also make clear that any Living Wage requirements for publicly assisted property development stay with that property even if the ownership or use changes hands.

2. Required Documentation

Information is power. To help enforcement, organizers must have access to adequate employer and city information. Both the Los Angeles and Oakland implementation provisions detail extensively the reporting and documentation requirements for employers, city departments which grant contracts and assistance, and the office charged with overseeing compliance. For example, the rules detail the exact employment records which firms must keep and make available to city officials. They specify the minimal information which employers must provide workers to explain their rights under the Living Wage law in terms of precise language. The regulations provide a one-page

Declaration of Compliance which employers must complete and sign pledging that they are fulfilling the law. They also require firms to include the Living Wage requirements in all subcontracts and leases. The rules provide sample language and mandates that copies of such agreements be forwarded to the city.

The regulations also specify what information city departments must collect from recipients of contracts and financial assistance and how they must report this data to the office which oversees the Living Wage. Oakland's regulations provide a draft form which departments complete for each contract or assistance granted.

The contract compliance or administration office in turn must submit on a routine basis reports to the city council listing all contracts and financial assistance covered and detailing all exemptions and waivers granted. Mandating reports to the city council ensures that basic data on the Living Wage becomes part of the public record.

3. Monitoring Procedures

The Oakland and Los Angeles provisions lay out the step by step process by which departments must seek approval for each contract. Oakland's process gives the Contract Compliance office the power to only authorize payments once it has determined that the contracted firms are complying with the Living Wage. The rules and regulations also detail the rights which city authorities have to investigate and obtain necessary information for determining if a firm is in compliance with the Living Wage.

4. Exemptions and Waivers

Both LA's and Oakland's rules detail the allowed exemptions, and specify the documentation an employer must provide to claim them. The Oakland regulations give the city council the power to grant for one year, renewable waivers to companies for "economic hardship" or if it is deemed in the "best interests of the city" — two potentially huge categories which make the Living Wage coalition's efforts to continue its momentum into enforcement all the more important.

5. Complaints and Appeal Process

The rules and regulations lay out a clear process for employers to appeal city action against them. It also provides a complaint procedure for employees — specifying which office hears the complaints, a timeline for actions, what the office must do, and protections for the complaining employee, including confidentiality. Both LA and Oakland require their contract compliance/administration offices to make reports on all complaints received, hearings conducted, and findings determined.

6. Enforcement and Penalties

Finally, local authorities must be provided clear authority and channels for enforcing the Living Wage against employers who violate the law. The rules and regulations detail the penalties, how they are sought, and who is responsible for extracting them.

the ordinance to discover grounds for legal challenges. A record of quite restrictive court interpretations of Massachusetts' home rule amendment offered the opposition grounds for opposing broad living wage mechanisms. Among the opposition's long list of legal and technical challenges were also many items of questionable validity. The Chamber won a steady barrage of media attention predicting all manner of dire consequences if the Living Wage were to take effect as written.

The months prior to implementation saw a flurry of negotiations between Greater Boston Legal Services, ACORN and the Massachusetts AFL-CIO on the one side, and the Greater Boston Chamber of Commerce represented by the law firm of Hale and Dorr (of Civil Action fame) on the other. The unseen partner behind the negotiations with the city included powerful real estate interests. In the end, the Living Wage coalition traded the subsidy-based Living Wage requirement (the provision most subject to a legal challenge over home rule) for maintaining the contract Living Wage and local hiring hall requirement for both contracts and subsidies. The law's final version also redesigned reporting mechanisms so that in quarterly reports companies specified wage ranges, rather than the exact pay rate by each employee. It also dropped the up-front application reporting. The political and legal balance of power also worked against making this information open to public inspection.

The campaign, however, saved the Living Wage Advisory Committee which has access to such information and whose seven members must include a representative from ACORN, the AFL-CIO, and a community-based organization operating solely within the city. This body has provided a mechanism for the campaign to assess the impact of the current law and to launch a process of strengthening and expanding its provisions. Indeed, in 2001 Boston became one of the first cities to substantially expand its living wage law. The amendments increased the wage from \$9.11 to \$10.54. By dropping the thresholds from \$100,000 to \$25,000 and non-profits with 100 employees to 25, the city doubled its coverage. This prompted demands from city childcare agencies and recycling contractors for an exemption. Combining research (which included information on one child care agency with five directors making over \$100,000 a year) and lobbying the coalition blocked a blanket waiver. Instead the Mayor granted a one-year waiver for four small child care agencies. The city also asked the child care providers to work with the coalition and the Living Wage Advisory Committee to bring all employers up to \$10.54.

A One Year Report Cards

Struggles around implementation details are not restricted to when the law first takes effect. A year after passing a Living Wage policy, Minneapolis legislators found themselves drafting detailed language to close loopholes and strengthen key provisions.



An investigation into the year's experience found reasons to celebrate and grounds for further work. On the plus side, the contract requirements had led to concrete gains for workers in parking, garbage removal, and elsewhere. Companies had also made progress toward the 60% local hiring targets, although the record on such accomplishments were uneven. On the down side, the city development agency, which was separate from the city administration, had avoided the Living Wage completely by simply labeling financial assistance packages with reasons other than the job retention and creation provisions specified in the Living Wage policy.

New provisions were needed to close this loophole by specifying that all assistance above a given dollar threshold is covered. Campaign supporters also sought to strengthen the enforcement process by further empowering workers and requiring quarterly, rather than annual company reports. The city council also could make local hiring requirements more mandatory, while at the same time increasing public resources for worker training, child care, etc.

Organizing for Enforcement

Even with excellent implementation language, the best assurance that the Living Wage ordinance becomes reality for real workers comes from a vigilant coalition. Grassroots efforts to enforce the Living Wage can offer opportunities for more new organizing.

Sample Resistance

A few examples illustrate how employers can try to avoid paying a Living Wage. They may seek the help of the city council by requesting special waivers and exemptions. Autonomous public development bodies separate from the city administration and not covered by the Living Wage can provide another way out of the law. Similarly, in Baltimore, activists had to organize to ensure the Living Wage covered school contracts when the authority over those contracts passed from the city council to a new school board.

Employers may exercise the letter, rather than the spirit of the law. For example, the Living Wage does not apply to contractors until their contracts come up for renewal. In Baltimore, each year the Board of Estimates had to formally pass increases in the amount of the Living Wage until it reaches \$7.70 in 1999. Contractors tried paying the wage levels set at the time when they first received their multi-year contracts. They argued that any increases did not effect them until their contracts expired. The longer the contract agreement extended, the more employers could stall. Contractors also sought one year contracts with provisions to extend the contract for up to two additional years. Employers on extended contracts then argued that they were bound by the wage level set when they first received the contracts.

Employers may also simply ignore the law. Experiences in this regard vary considerably. In cases in which prior local policy has already established a record of companies reporting on prevailing wages or affirmative action, the Living Wage information may be readily supplied. However, campaigns in several cities have found that reporting requirements were simply not followed.

Even city staff dedicated to enforcing the Living Wage law may not have the ability to do so. Dana Wise,

who has been active in the Solidarity Sponsoring Committee and has studied the implementation of Baltimore's Living Wage has commented that the city employee hired to monitor compliance "had no idea who the subcontractors were. The subcontracting is all decentralized — there are too many departments to keep track of — it is kind of comical."¹ Thus, despite monitoring provisions, neither the contracting agency nor the Wage Commission noticed that none of the twenty-six school bus companies were paying their school bus aides the required Living Wage.



Enforcement Battles in Baltimore

Baltimore's relatively long experience with the Living Wage contains numerous examples of employer resistance. By organizing the low-wage workers covered by the Living Wage (explained in greater detail in the next chapter), Baltimore's Living Wage campaign managed to catch a number of employers. In 1996, the city threatened to cut \$14.4 million in contracts to two dozen school bus contractors who refused to raise their wages by the required 50 cents increase in the Living Wage. Employers cried that they could not afford the penalties which the city was empowered to extract from them.

The Eastman Transportation Company was the first Baltimore employer brought before the Wage Commission after the Living Wage went into effect. Although the company received \$7.65 an hour from the city, it only passed on \$5 of that to the worker, instead of the required \$6.10. A year later the company was caught again — this time for not raising wages as required by the yearly increase in the Living Wage. Low-wage workers and their supporters packed the Board of Estimates chamber in support of Karen McGee, an ex-Eastman employee who charged that she had been underpaid. At the hearing, a company supervisor blamed "book-keeping errors". A 1997 audit also found that bus contractors generally had been overcharging the city by some \$133,000 through false reports on time and distances spent transporting for special education programs.

Baltimore's Living Wage coalition also went after Johns Hopkins Health System and University which owned, through a subsidiary, the private maintenance firm, Broadway Services — one of the city's largest contractors. Company officials were to be commended for their public support in favor of the Living Wage during the campaign to enact the law. All contractors "have to start at the same wage rate," company vice president Donald Kelly had told reporters. "[The Living Wage] really levels the playing field, so it's no disadvantage at all." Unfortunately, Broadway Service chose not to pay a Living Wage after the city council voted to extend contracts negotiated prior to the Living Wage. Speaking to reporters, Kelly upheld his opinion that a Living Wage benefited business, but claimed his company could not afford to pay \$6.10 an hour unless the city covered the costs.

Grassroots Enforcement in Los Angeles



As in Baltimore, the Los Angeles campaign has developed an elaborate grassroots enforcement plan that offers a model example for continued Living Wage organizing. The LA campaign

has not relied upon the city, but developed its own systematic effort to monitor and enforce the law.

As a first step, the campaign established its own database on covered employers. The campaign's monitoring staff know when the city considers specific contracts and financial assistance packages. The campaign is on the mailing lists for announcements of city commissions and public hearings. It also subscribes to the publications where the city solicits contract bids. Using the city's data, the campaign records the dates when existing contracts and assistance come up for renewal. Activists also make ample use of the reporting provisions required by the Living Wage to further build their database. This not only helps for monitoring enforcement, but as we will detail in the next chapter, it can also provide a valuable resource of unions engaged in organizing.

More so than in Baltimore, the LA campaign has attempted to transform the city administration to effectively implement the Living Wage. In May 1998, the campaign released a "report card" detailing the city's experience of the first year of implementing the Living Wage. The findings revealed a mixed record. The office charged with overseeing enforcement, the Bureau of Contract Administration, had proven less and less helpful. It had focused most of its time and energy on overly complicated and time consuming determinations of which contracts the law applied to, rather than using its auditing powers to go after the large number of covered firms who violated the reporting requirements. The office had also failed to develop an effective system for handling worker complaints and referring them to legal aid. And outside groups had had great difficulty gaining access to information that the law guaranteed as public information. Eventually, the campaign succeeded in getting enforcement moved to another agency.

Finding that the office charged with overseeing the Living Wage was not proving helpful, LA organizers went directly to city departments. The campaign targeted five departments with significant contracting. Organizers helped staff internalize Living Wage oversight into their day-to-day operations. By working with and training department personnel, the campaign fostered administrative knowhow and norms that support the implementation of the Living Wage ordinance. After a year, the campaigns could report that the Departments of the Airport, Recreation and Parks, and General Services had made clear progress in implementing the Living Wage. The Harbor Department seemed indifferent and had only begun implementing the law slowly, while the Department of Water and Power had outright refused to comply with the Living Wage.

While the campaign worked with the city bureaucracy, it also established its own enforcement efforts. Using the campaign's database, organizers target specific companies not complying with the Living Wage law. Where necessary they have gotten the city council to cancel or hold up contracts of violating companies. They have also gotten council pressure on the Department of Water and Power. The presence of a clear champion on the city council, Councilor Jackie Goldberg and her staff, has proven a key aid to these efforts.

The campaign has also taken Living Wage enforcement into the streets. While the implementation of the Living Wage at the city airport for service and con-



Direct Contact With Workers is the Key

The enforcement efforts in Baltimore and Los Angeles work because the campaigns have developed contacts among workers covered by the ordinance. Without their knowledge, it is impossible to know for sure if firms are truly following the law.



cession contracts had made progress, the airlines were resisting the law's application to them. Yet, through their leases with the city they employed 2,500 security guards, baggage workers, and other service employees — many of whom earned near the minimum wage with no benefits. In March 1998, the campaign targeted the biggest offender, United Airlines, with a march of 700 people. With the airline asking the city to grant a new lease that would accommodate a \$200 million expansion, the campaign had a golden opportunity to put United on the spot.

With the key support of Jackie Goldberg, the LA campaign also negotiated with the city council to establish a Worker Education Program for educating affected workers on the Living Wage. All Living Wage ordinances should require employers to provide workers written details of their rights under the Living Wage law. However, LA organizers administer a city program which trains city contracts workers directly about their rights under the Living Wage and Worker Retention laws. While the city prints the materials, obtains the training location, and does the advertising, the campaign designed the classes and provides the trainers. The workshops, which the campaign conducts twice a month, seek to reach an estimated 5,000-8,000 low-wage workers covered by city contracts.

Organizers have also sought to bring affected workers into contact with the campaign by taking advantage of the Living Wage's health insurance provisions. The campaign found that most employers opted for the extra \$1.25 an hour rather than provide insurance. In response, activists negotiated with UCLA Health Care to offer a decent health insurance package, with no major deductibles, for \$1.25 an hour. The campaign has been working with the city and businesses to get employers to adopt the package.

As with other campaigns, organizers' legislative efforts did not end with the passage of a Living Wage

law. Recently, the coalition won several amendments to strengthen their law. These changes include language which clearly covers the airlines and anti-retaliation provisions which apply to all Los Angeles businesses, whether covered or not, who penalize workers for pursuing their rights under the Living Wage ordinance.

Such extensive and independent monitoring and enforcement requires resources. The Los Angeles campaign has several full-time organizers. In addition, two-part graduate students are dedicated to monitoring city contracts and assistance packages. Funds to cover this staffing have come from grants and donations from philanthropic organizations. The campaign also maintains a team of pro-bono lawyers.

While strong enforcement requires resources and energy, as the Los Angeles experience makes clear, these tasks present not simply a challenge, but also opportunities for continued organizing and coalition-building around economic issues. Indeed, as we will detail in the next chapter, winning a Living Wage offers the first steps on the road toward a broad movement for economic justice and democracy.

Resources

Stephanie Luce researched Living Wage enforcement in great detail for her Ph.D. dissertation. She has summarized her findings in "Challenges Facing the Movement: Living Wage Campaigns, Part 2" in *Against the Current* November/December 1998.

End Notes

¹ from Stephanie Luce's article cited above

Need Help With Enforcement Issues?

Live Up to the Living Wage Project

The National Lawyers Guild/Sugar Law Center has worked on implementing Detroit's living wage law and on battling the attempt in the Michigan legislature to try to ban local living wage ordinances. Recently, the Center launched a national "Live Up to the Living Wage Project" to support grassroots efforts to implement and fully enforce living wage laws. The new initiative includes three main elements:



1. The Center are collecting information on living wage implementation experiences from campaigns across the country.
2. Center staff will provide direct legal and technical support for a number of targeted communities organizing to enforce their living wage laws.
3. The Center will serve as a clearing house for offering materials and technical assistance to living wage campaigns across the country. The website includes a primer on the legal issues surrounding living wage enforcement (under "projects" and "economic bill rights")

For more information contact:

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www.sugarlaw.org

Brennan Center

Paul Sonn at the Brennan Center has provided a range of legal assistance to living wage campaigns. This assistance includes researching the legal issues raised during campaigns, writing briefs countering legal challenges to proposed or passed living wage laws drafting ordinance language and drafting ordinance language. The Center is working with ACORN's Living Wage Resource Center to develop model ordinance language while researching new avenues for expanded living wage coverage.

Paul Sonn

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"No business, which depends for existence on paying less than living wages to its workers, has any right to continue in this country. By living wages I mean more than a bare subsistence level. I mean the wages of a decent living."

President Franklin D. Roosevelt, 1933

Chapter Nine

From Local Living Wage to Economic Democracy

Organizing for the Long Term

The Living Wage movement has tapped into people's frustrations with the basic imbalance of economic power found in our country. Falling wages, environmental destruction, a growing time crunch, family disintegration, resurgent racism, urban decay — all are linked to the underlying reality that our economic and social well-being is controlled by a corporate system whose primary motivation is the quest for increasingly short-term bottom-line gains.

People join Living Wage campaigns because, in one way or another, they want to take hold of their collective eco-



omic future. The broad coalitions that characterize Living Wage campaigns offer the building blocks of a social movement. Today's Living Wage organizing holds the promise for the great economic democracy campaigns of the early 21st century. Already, experiments in grassroots organizing from across the country point toward the kinds of long-term local economic work which can come out

of Living Wage organizing. In the next chapter we will examine state and federal action.

Grassroots Organizing Projects

Baltimore's Solidarity Sponsoring Committee

-- A New Kind of Labor Organization

From the beginning, BUILD and AFSCME placed the task of organizing low-wage workers at the center of their Living Wage effort. Through solicitations at neighborhood stores, person-to-person contracts, and other means, the campaign built up a list of three thousand workers who wanted an organization for people like themselves. Today, the Solidarity Sponsoring Committee (SSC) has grown to three staff and 500 dues-paying members. Most of these workers are covered by the Living Wage law, although the SSC includes workers from other private employers.

The SSC mobilizes its members to enforce and extend the benefits of the Living Wage ordinance. As detailed in the last chapter, many employers tried to bend the rules or even outright refuse to pay a Living Wage. The SSC has turned out as many as one hundred effected workers at hearings to secure the law's enforcement and win back-pay. With the Living Wage in school contracts threatened when the city established a new school board, the SSC mobilized two hundred workers to go before the board — all of whom were parents with children in the public schools. Such turnout helped convince the new board to adopt the provisions of the 1994 Living Wage ordinance.

The Solidarity Sponsoring Committee and the Living Wage coalition have organized to build on their original Living Wage victory. They won an important ordinance securing first right of refusal (or "worker retention") that provides workers the right to keep their job even if their employer loses the contract. The campaign also secured strong protections for the right to organize. Any employer caught interfering in a unionization drive by their workers risks having its contract with the city canceled. AFSCME, BUILD, and SSC have also gotten the city to bring back, as government jobs, custodial work at local schools previously contracted out. For Cynthia Carter, and 62 other custodial workers, this meant going from \$4.25 an hour to union wages of \$8.64 with health care, sick leave, and vacations included.

With welfare "reform" promising to force 14,000 recipients into sub-minimum wage jobs, the SSC has taken on the task of organizing such workers — thus fostering them as allies rather than threats to its existing low-wage membership. Along with BUILD and AFSCME, the SSC participated in a successful campaign to block state plans to force welfare recipients attending community college to drop their education for poverty-wage work. Similarly, it helped win a state law banning companies from gaining public subsidies by replacing existing workers with welfare recipients.

Building an organization of low-income workers is not an easy task. Such workers often juggle many responsibilities and can change jobs frequently. To help add immediate relevancy to SSC membership, organizers borrowed a tactic used by the United Farm Workers. While wage levels top workers' concerns, lack of benefits falls not far behind. With the help of area unions and the national attention brought to their Living Wage effort, the SSC pulled together a basic benefit package for its members. For \$10 a month a worker receives \$10,000 worth of life insurance and dental, vision, prescription, and health discounts. The package is not comprehensive medical care. However, it does focus on crucial preventative measures. Low-wage workers can find themselves being sued for thousands and tens of thousands of dollars in treatments for conditions that could have been prevented or kept less serious if the worker had had access to affordable basic care. Workers on the SSC's plan gain access to a primary care doctor at one of four participating clinics. The costs of basic health provisions are often sharply discounted. For example, workers who risk potential catastrophic breast cancer because they cannot afford a \$200 mammogram pay only \$20 if they are SSC members.



Thanks to Baltimore's Living Wage Helena Jobes and her daughter can now afford electricity and gas.

The various components of the SSC's activities reinforce each other. The law granting workers the right

to keep their jobs when the contractor changes hands helps worker organizing by stabilizing the work force. Similarly, the protections for union organizing aid the links between SSC membership recruitment and unions. At the same time, both of these laws were passed, in part, because the SSC organized low-wage workers to campaign for them.

Kerry Miciotto, lead organizers for the SSC, emphasizes the importance of organizing low-wage workers to improve their living and working conditions. "Or-

ganizing the workers is the hardest part of a Living Wage effort, but you need to organize them to keep what you have won." The Living Wage has become a reality in Baltimore, not because the city council passed a law, but because the workers fought to make it a reality. Along with AFSCME, the church-based BUILD has been key to the SSC's success. The pastors involved in the two-decade-old BUILD provided much of the political clout needed to pass the Living Wage. The churches have also provided a crucial safe haven for bringing workers together. Since most low-wage workers

live with insecure employment positions, they are justifiably concerned about the risks to their jobs of being seen organizing. Gathering at the church of a sympathetic pastor can provide an important element of safety and support.

Union Organizing in Los Angeles

Ultimately, unions provide the most direct vehicle for workers to gain a greater share of the pie and a respected voice at work. From the beginning, the Los Angeles Living Wage Campaign structured its activities to build an infrastructure to support union organizing. Part of this framework includes a non-profit umbrella organization called Los Angeles Alliance for New Economy (LAANE). LAANE combines research and media work on issues of economic development and poverty-wage jobs with its role as an incubator and staff support resource for local legislative campaigns, union organizing, and related efforts. The East Bay Alliance for a New Economy (EBASE), which unites living wage work in this region, was founded on the LAANE model.

Increasing Leverage

The Living Wage law offers unions greater organizing leverage with employers. Through the monitoring mechanism described in the last chapter, the campaign targets employers for organizing. The coalition can offer support to employers who agree to pay Living Wages and play fair in unionization drives. Ideally employers will sign a neutrality agreement allowing their employees an unmolested union vote free from professional union-busters and scare tactics. Employers can also agree to "card check" -- recognizing the union without an election once a majority of workers sign union cards. For companies who chose not to play fair, the Living Wage coalition can threaten to slow or block a company's application for lucrative public contracts and subsidies.

The Hotel and Restaurant Employees Union (HERE) has used the collective bargaining op-out clause as a carrot to get employers to sign contracts earlier and more easily. In return for cooperation, the union is willing to modify the Living Wage provisions to, for example, account for jobs which rely on substantial tips, provide 90 day start-up wages, etc. By using the Living Wage law and the coalition's support HERE won a neutrality agreement and subsequent unionization at the new site of the Academy Awards in Hollywood — the first such union breakthrough for janitorial jobs in this area. SEIU has also won union service jobs for janitors.



Organizing at LAX

The Living Wage campaign was born out of the struggle by HERE and SEIU to organize among the 30,000 non-union workers (out of 50,000 total) at the Los Angeles Airport (LAX). The Living Wage law's regulatory mechanisms have proven especially useful at the airport. Living Wage trainers have more access to work sites than union organizers (a sad commentary on the state of our nation's labor laws). And the law has protections and penalties to protect workers who organize around the Living Wage from employer retaliation — a mechanism more expedient than the drawn-out procedures of the National Labor Relations Act to protect worker-organizers.

The Living Wage has also provided organizing leverage. LAX organizers have had, for example, two companies bid to sell food at airport concessions. One employer proved cooperative and signed a card check neutrality agreement. The other decided to be uncooperative. The Living Wage coalition urged public authorities to go with the living wage company.

The original LA Living Wage coalition members passed a worker retention law two years prior to the Living Wage. This law has proven an equally important tool. The law requires companies receiving a contract previously held by another firm to hire the employees already working on the contract. Without such job security, employers can threaten workers with a loss of contract, and hence their jobs, if they unionize or do not give in during bargaining. Furthermore, if workers do not remain on the job, any union can legally vanish as soon as a new company gets the contract. By stabilizing the work

force, the retention law opens more ground for lasting organizing work.

By winning both a Living Wage and Worker Retention ordinance, the coalition has proven its ability to change public policy and to begin to create the climate for union organizing. Organizers look toward more legislative gains. Next up: protections for workers' right to organize. While officially protected by federal law, in reality union organizing has become a very risky affair. The city council has the power to require employers at LAX, or the city at large, to abide by measures ensuring fair play. These requirements could include card check, and binding arbitration for first contracts so that employers cannot break a new union by simply never signing a contract.

Living Wage activity has clearly paid off at the airport. HERE secured a major victory for 700 hospitality workers when they won a new contract specifying that at least 70% of airport jobs will be full-time and first-ever health care coverage and pensions for many. It also sets LA's Living Wage as the minimum for the lowest paid workers. Overall, HERE has gone from representing roughly one out of five airport workers in its bargaining industries to four out of five. SEIU has grown from one out of ten to half or more.

Clergy and Laity United for Economic Justice

The LA Living Wage campaign has also fostered an interfaith coalition which harks back to the religious support shown for union organizing during the 1930s and 1940s. Organized by leadership from Protestant, Catholic, and Jewish congregations, Clergy and Laity United for Economic Justice (CLUE) has mobilized strong religious support behind worker struggles. Through CLUE, the religious community promoted the principle of a Living Wage — with public events, in sermons, letter to the editor, op-eds, and through delegations to city hall.

Since the law's passage, CLUE's activity has expanded. HERE, for example, hit a wall of employer resistance when it campaigned at several downtown luxury hotels. The Westside Hotels balked at an agreement which would gradually raise housekeepers' wages



Photo: Linda Lotz

from \$8.15 to \$11.05 an hour. While workers staged temporary walk outs, clergy delivered brief sermons on workplace fairness after ordering coffee at several hotel dining rooms. On April 8, 1998, an inter-faith procession of 60 ministers,

priests, and rabbis marched through Beverly Hills. They deposited bitter herbs outside the Summit Hotel, which still had not signed the HERE agreement, and offered milk and honey to two which had. Two months later the Summit signed.

CLUE organized similar religious support for a campaign against a union-busting hotel in Santa Monica, an organizing drive at St. Francis Hospital, and protests over the University of Southern California's decisions to contract out work to low-wage employers. CLUE has continued to organize for Living Wages. On September 14, 1998 the Pasadena city council passed an ordinance covering contracts. A month earlier the city had raised the salaries of 60 of its own employees to a Living Wage with benefits.

CLUE has called on religious institutions to lead by their own examples. Along with the Southern California Ecumenical Council, CLUE has campaigned for other religious organizations to pay their staff a Living Wage. Churches sometimes "make people feel they have a moral-religious obligation to do the work of the church without concern to how much money they make," Jeff Utter, president of the Valley Interfaith Council and United Church of Christ pastor, told the *Los Angeles Times*. "People should be paid the equivalent of what they would be paid in other segments of the economy. If a church employee wants to return part of that money as a church contribution, then they are free to do that." At the urging of the Los Angeles diocesan leaders, the national Episcopal convention adopted a Living Wage recommendation at its July 1998 convention.

CLUE is part of a promising national trend. According to an August 28, 1998 article in the *Los Angeles Times*, in the last two years the number of interfaith la-

bor organizations around the country has jumped from 12 to 38. "I think there's a widespread sense in the religious community that social and economic inequalities are growing and that something has to be done about it," explained CLUE activist Reverend Dick Gillett. Frank Clark, the executive director of the Ecumenical Council of Pasadena Churches agreed with this sentiment, adding that "Ten years ago you wouldn't have seen evangelicals, Pentecostals, Catholics, Jews, struggling with these issues as much as now."

The Los Angeles Alliance for a New Economy

As the key umbrella group behind living wage organizing, the LA Alliance for a New Economy (LAANE) has grown into a model for leaders seeking to institutionalize a labor-community coalition centered around economic development and union organizing. Having grown to 25 staff, LAANE sponsors a series of projects all aimed at generating family-supporting unionized jobs. LAANE continues to work on living wage enforcement and organizing. It has produced a series of reports documenting the serious problem of working poverty, the impact of major commercial development on the community, and the rather poor way in which the city was directing and administering tens of millions of public economic development subsidies.

The research links closely with organizing around economic development. In 1998 LAANE helped win a precedent-setting agreement on a major Hollywood development project that secured living wages for all employees of the builder and its contractor. In 2001, LAANE's Accountable Development Project had helped coalitions secure agreements with three major entertainment, housing & retail, and industrial development projects. All three benefited from millions of dollars of public funds. Without LAANE and its allies organizing, they would have gone through with little public input or returns. The agreements included such provisions as 70-75% living wage jobs at the business which will operate in the developments, affordable housing and childcare centers, a youth center, local hiring, a neighborhood improvement fund, and card check recognition and employer neutrality during union organizing. In one case, the developer actually approached LAANE since community support can help make a proposed development project's journey through the public approval process a easier and quicker. LAANE aims to make evaluating community impact and negotiating detailed benefit agreements the

normal procedure for the city's economic development programs.

In addition to developing CLUE, LAANE has also incubated other activist groups. LAANE helped establish Santa Monicans for Responsible Tourism (SMART). The organization has a grassroots membership of hundreds in a community of 80,000. In 2001, SMART and LAANE helped pass Santa Monica's ground breaking living wage ordinance -- the first zone-based measure in the country. In 2001 SMART also won anti-retaliation legislation that protects workers who organize and advocate for their rights under the living wage or other labor standards. Unlike federal and state laws, the new ordinance places the burden of proof on employers. In other words, if a worker who is organizing around his/her labor rights is penalized by his/her employer, the action is presumed to be retaliation and the company in violation of the law unless management can prove otherwise.

LAANE's Spin Offs

LAANE's example has inspired a growing number of non-profit institutions centered around labor-community organizing. The East Bay Alliance for a Sustainable Economy (EBASE) organizes for living wage measures

in communities around the east bay area. EBASE helped win Berkeley's marina living wage law, living wage and job provisions at the San Francisco airport and a project labor agreement at the Port of Oakland. EBASE also authored a report evaluating the first two years of Oakland's living wage ordinance and recommending ways to strengthen and expand its coverage. EBASE has also released a report detailing the underside of the area's economy.

In conservative San Diego, local progressive leaders founded the Center on Policy Initiatives as an institutional support for developing a growing labor-community movement. The organization is laying the groundwork for a living wage campaign to further its work of building a progressive force in a conservative area.

LAANE, its spin offs, and Working Partnerships USA (see below) have drawn interest from across the country with labor and community leaders thinking of how they can generate similar institutionalized projects in their own communities.

ACORN-Labor Partnerships

Neighborhood Organizing in Boston

The campaign to win a living wage ordinance in Boston forged an enduring community labor-partnership with enormous political potential. Its next effort aimed to build on the local Living Wage victory to pass two statewide measures that would boost the incomes of low wage workers in Massachusetts. ACORN's strategy for the campaign is a good example of how a community organization can advance a state legislative agenda and build its neighborhood-based membership at the same time.

The first part of the legislative agenda, spearheaded by the state AFL-CIO and Boston Central Labor Council, raised the minimum wage by 50 cents an hour three years in a row until it reaches \$6.75. By 2001, ACORN and labor had agreed to introduce a bill to index the minimum wage to automatically increase with inflation.

The second measure, proposed by ACORN, the Coalition Against Poverty, and Neighbor to Neighbor, increased the state's Earned Income Credit (EIC), a tax break that puts cash in the pockets of working families. Thus far the coalition have successfully increase the EIC from 10 percent of the federal Earned Income Tax Credit to 15 percent. For example, a parent with one child who works full-time at \$6 an hour saw her EIC grow from \$224 to \$336. A parent with two children working at the same wage level would see the EIC grow from \$371 to \$556.

Both measures were fought for under the banner "Massachusetts Needs a Raise." The coalition's strategy entailed a range of activities including mass flyering in low-income neighborhoods to let people know about the existing state EIC. Because it was only two years old, many people don't even know they are eligible. For example, by distributing flyers that explained who qualifies and offering help with filling out the tax forms, ACORN de-

livered an immediate benefit to working families. At the same time, ACORN organizers recruited those who respond to the flyers to join the organization and participate in the campaign to improve the EIC. ACORN also collected thousands of constituents' signatures on post-cards to their legislators urging them to support the minimum wage and EIC improvements. The signatures were collected door -to-door in ACORN neighborhoods and on Saturdays at shopping malls in other key legislative districts. In addition, mass lobby days were designed to make a strong show of support at the capitol. For example, ACORN organized a 250-person speak out in the district of the speaker of the state house. They followed up with sit-ins at his office.

On the minimum wage, the opposition will be more fierce. Last year, the then acting governor, a Republican, agreed to sign a bill raising the minimum wage but it was held hostage by the Speaker of the House, a conservative Democrat. The same players are in power this time but a key difference is the mass mobilization labor and community groups are mounting. If the minimum wage bill is defeated or compromised, the labor movement plans to launch a statewide initiative campaign to put the issue before the voters. Meanwhile, the unions and ACORN are beginning to discuss an electoral strategy, including the possibility of targeting the House Speaker whose district includes neighborhoods which are ACORN strongholds. In the meantime, ACORN and the unions are strengthening their ties through other collaborations. ACORN supports union organizing drives by putting union staff in touch with workers in its neighborhood groups and doing house visits together. The unions reciprocated by offering ACORN an informal seat on the Central Labor Council. Before the Living Wage campaign, ACORN and the labor movement had no real connection in Massachusetts. Now the Boston Jobs and Living Wage campaign is proving to be just the prelude to a broad progressive movement in the state.

A Formal Alliance in Little Rock

Having worked together for years, ACORN and the Central Arkansas Central Labor Council decided to move beyond a kind of "letter head" coalition work to establish a formal partnership. Activists aimed not to establish a new organization, but to develop each partner. The partnership's joint steering committee develops collective projects which both push for economic change and increase each group's active membership. By direct cooperation, both ACORN and the Central Labor Council hope to build up their own capacities for social movement action.

The partnership has started out with modest first steps. ACORN and the Central Arkansas CLC have

teamed up to carry out voter registration and to help battle for an increase in the state's minimum wage. When the United Food and Commercial Workers organized a protest against Walmart for the firm's anti-union policies and displacement

of local businesses, the two partners jointly mobilized people for a rally and bus convoy. The level of burgeoning cooperation was clear from the ACORN-CLC partnership hats worn by the crowd. The partners have also cooperated on issues of fair and affordable housing. ACORN, for example, runs a loan counseling program to which the CLC now actively steers its members.

The partners have also coordinated electoral action. Little Rock has a successful New Party chapter which has elected four out of the ten current members on the city's Board of Directors. The partnership has gotten behind these and other pro-labor/pro-community candidates with training and grassroots action. With these electoral wins coming on platforms calling for Living Wages, it comes as no surprise that Little Rock and the ACORN-CLC partnership has just launched a formal Living Wage campaign.



Making Job Subsidies Accountable

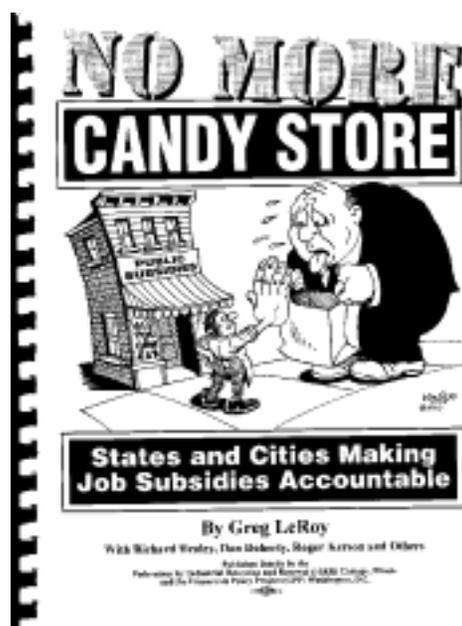
In *No More Candy Store: States and Cities Making Job Subsidies Accountable*, Greg LeRoy described the state and local measures up to 1994 that demanded corporate accountability. This pioneering work has been followed by a 1998 joint publication of the Grassroots Policy Project, Sugar Law Center, and Sustainable America entitled *Public Subsidies, Public Accountability: Holding Corporations to Labor & Community Standards*. Greg LeRoy has more recently written the "Policy Shift to Good Jobs" providing overview of the current state of the movement.

Corporate accountability campaigns can focus on three major areas. First, they can demand public access to basic information. Before a subsidy is granted, this information should include a company's finances, its labor and environmental record, and its detailed plans. Once public money is given, the community should have access to routine reports on how a company is meeting its promises. Firms can also be required to provide adequate advanced notification of major policy changes, such as plant closings or mass layoffs. Even more basic, communities can pass laws to lift the veil of secrecy that often surrounds the very process of subsidy granting. Public officials should be required to hold public hearings before decisions are made. Before government grants a financial aid package, it should conduct a detailed community impact study, similar to environmental impact research, in order to weigh the potential benefits against the costs.

Second, companies should be required to make specific and enforceable commitments in return for public dollars. Such agreements can include monitorable job creation or retention plans, targeted hiring to populations in particular need of decent jobs, and other binding community commitments including wage standards. Local tax money should also not be given to companies whose job "creation" comes simply by moving jobs from one location to another — essentially playing communities off against each other.

Finally, as with the Living Wage, local governments should impose harsh penalties on firms which violate their agreements. At a minimum, public officials should only be entering into contracts that specifically allow them to take back ("clawback") all tax payer dollars if the company does not fulfill its promises.

Campaigns to establish greater public accountability have begun to develop at both the local and the state level. Between 1994 and early 1998, ten states and four cities enacted some form of legislation curbing subsidy abuse. By 2000, twelve cities and three counties had enacted some form of job quality standards related to, but separate from, a living wage ordinance. In the next chapter we will cover several of the most noteworthy state efforts. Thus far, efforts to reign in corporate subsidy abuse and to focus public money on community-supporting jobs remain diverse and fragmented. To help remedy this situation, LeRoy recently founded Good Jobs First as a clearing house for research and organizing around corporate subsidies.



Good Jobs First

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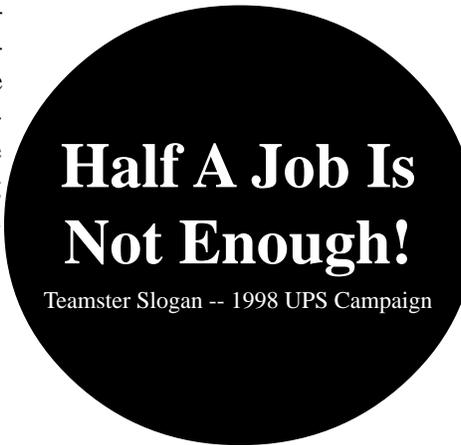
Good Jobs First is a national clearinghouse for grassroots organizations and public agencies and officials promoting corporate accountability. Good Jobs First is a project of the Institute on Taxation and Economic Policy/Citizens for Tax Justice. Their website offers a series of reports detailing the problems of corporate subsidy abuse and its link to sprawl, low wages, and urban blight.

Tackling Contingent Work

The 1998 study on Baltimore's Living Wage law, released by the Economic Policy Institute, found that while the wage gains had provided real benefits to covered workers, many of these individuals still earned below a living wage simply because their jobs were part-time. This finding reflects national patterns revealing an explosion of part-time and contingent work as companies all too often use such work as a way of lowering employment standards. Research by the American Management Association found that half of firms surveyed had eliminated jobs. Almost one out of five firms used temps to replace workers laid off. With an average income of \$329 per week, nationally contingent workers earn almost \$100 a week less than non-contingent workers do. Only 7% receive health benefits and only 4% obtain a pension benefit.

Some of the worst abuses come from the burgeoning temp industry. On any given day nearly three million Americans hold a temp job. With turnover at more than 400% a year, some 8.5 million workers – 6% of the workforce – spent at least part of 1998 temping. While a few temp firms take the high road by offering employers well-paid, skilled, and reliable workers, most take the low road. In addition to low wages and non-existent benefits, temp agencies exploit workers in other ways. The Carolina Alliance for Fair Employment, for example, paid some two dozen temps to detail the problems encountered during a week of contingent work. The stories included temp agencies that placed them in jobs for which they were not trained and that did not provide training, those that would not give written notice of the employment wages, agencies that placed workers in unsafe working conditions, and firms that illegally assigned jobs based on race, sex, or age.

In Massachusetts the Campaign on Contingent Work found that a quarter of the state's work force was holding part-time, temporary, or other forms of contingent jobs. This campaign has developed legislation aimed at stripping away the worker-hostile elements of contingent work by requiring equal pay for workers regardless of employment status, pro-rated benefits for all workers in part-time jobs, and maternity leave and strengthened unemployment insurance for part-time workers. The campaign has also established a modest Contingent Workers Cen-



ter in the Boston area — modeled after similar immigrant worker centers — to foster direct grassroots organizing among contingent workers.

Also in Massachusetts, the Merrimack Valley Project (MVP) has combined education with direct action. Roughly half of Lowell's population consists of first and second-generation immigrants from Asia and Latin America – many of whom end up with contingent jobs. The project

has tried to build activism among contingent workers by visiting local churches, bus stations, unemployment offices, and other established networks to try to reach temp workers. By organizing both among workers and the community, activist aim to pressure large employers and temp agencies to sign onto the bill of rights.

The New Jersey Temp Workers Alliance, an initiative of the Bergen Employment Action Project, has also taken up the code of conduct idea. Its list of 24 “Principles of Fair Conduct” include non-discrimination, adequate on-site training and orientation, written job and employment descriptions, and fair treatment for filing for unemployment. The endorsing agencies also agree not to charge employers special fees for those workers whom they convert to permanent positions. Despite opposition from the National Association of Temporary and Staffing Services, the campaign persuaded 32 agencies to endorse the Principles of Fair Conduct by late 2000. To further distinguish between high and low road temp agencies, the Temp Workers Alliance also publishes a Consumer Guide to “Best Practice” Temp Agencies for use by temp workers. The guide lists the Principles of Fair Conduct and details the 32 temp firms that have signed on. It also includes tips for considering temp work, information on basic worker rights, and recommendations on how to handle specific problems while temping. The Alliance also maintains a Black Book with reports on over 170 agencies and solicits one-page evaluations from workers of their temp experience.

In Santa Cruz, rather than contracting out to save money the City hires tons of temporary workers (650 compared to approximately 450 permanent, unionized workers). The strength of the successful living wage campaign provided the leverage needed to also win a City Resolution recognizing the right of temps to organize and agreeing to recognize the union by card check.

Community Economics

The Living Wage helps close low road business strategies. In developing progressive economic alternatives, however, local coalitions should not simply block destructive business practices. They also need to foster company strategies which enhance the community and provide people greater control over their lives. This high road, however, requires collective action and new institutional frameworks. Through the Living Wage the community has asserted its right to take control of its economic well-being. Across the country grassroots projects are using Living Wage as campaign tool for building broad and comprehensive progressive agendas for the future of their city. We described LAANE and its spin-offs above. Projects in Milwaukee and Silicon Valley further illustrate the potential.

The Campaign for a Sustainable Milwaukee



The Campaign for a Sustainable Milwaukee (CSM) started with a year-long planning process to draft a grassroots plan for Milwaukee's future. The plan, *Rebuilding Milwaukee from the Ground Up!*, offered a comprehensive community agenda covering jobs and training, credit and banking, education, transportation, and the environment (see summary on next page). For years a vibrant array of labor, environmental, religious, and community organizations had fought battles over individual issues, launched often innovative programs targeted at specific problems, and formed coalitions around specific campaigns. Yet, this issue activism was not getting at the root economic and political forces producing the problems in the first place. What different groups needed was a common plan that would address both people's immediate needs while also fundamentally changing the rules of the game. The time spent developing *Rebuilding Milwaukee from the Ground Up* paid off in eight years of grassroots projects.

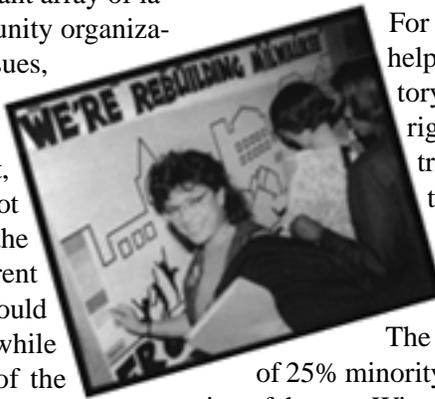
The Living Wage Spreads

Having passed ordinances at the city, school district, and county levels, Sustainable Milwaukee explored ways to raising the living wage with employers not directly connected to local tax money. The coalition has brought together key decision-makers from religious, labor, and community and elected officials to serve on Workers' Rights Boards. These Boards use a combination of moral and public pressure to encourage fairness and equity at work. For example, in 1995 a public Workers Rights Board hearing drew attention to the plight of asbestos-removal workers. Two years later, a Workers' Rights Board hearing heard the story of nine former welfare recipients struggling to survive the state's W-2 reform. The living wage task force recently began stirring up life in the fast food industry when volunteers visited targeted

locations — handing workers information sheets on the wage differences between inner city locations and higher paying suburban locations.

The living wage work eventually spilt into union organizing as Sustainable Milwaukee provided assistance to organizing drives among Latino workers. This in turn led to involvement in efforts to win amnesty for undocumented workers scared away from organizing by threats of INS raids.

Fighting for Job Access



For several years a Job Access task force helped team up two groups with a history of battling each other — the civil rights organizations and the building trades unions. These groups worked together to demand union prevailing wages and significant minorities and women being hired on major city-funded construction projects.

The group secured a state commitment of 25% minority and 5% female hiring for construction of the new Wisconsin Convention Center. They also got a promise to work toward a similar target for the new baseball stadium. As with the Living Wage, activists had to organize to hold officials accountable for actually meeting these targets.

Preparing Residents for Quality Jobs

Funded in part by a grant from the Casey Foundation, Sustainable Milwaukee was part of an ongoing Milwaukee Jobs Initiative. The initiative brought together major business representatives, public officials, labor leaders, and community activists to solve the twin problem of inner city residents without access to good jobs and employers without access to good entry-level employees. The Central City Workers Center was established as a grassroots, community-based employment program to connect residents to employers. Center staff help prepare residents for high-paying jobs by linking

Rebuilding Milwaukee from the Ground Up -- A Community Plan for Change

Jobs and Training

The report highlights how de-industrialization, racism, suburban sprawl, and government giveaways to corporations combined to gut the city's economy. The authors estimate that the city needs at least 50,000 new jobs to employ everyone who wants work. To foster jobs that enhance workers, their families, and the community the report recommendation's include:

- Local and state legislation to raise the minimum wage and establish minimum health, family leave, and child care standards.
- Steering tax abatements and other financial assistance away from general give-a-ways and toward targeted investment in community-sustaining jobs.
- Using public money to foster community-driven training programs and businesses as well as provide a framework for worker and community buyouts of local firms.
- Providing jobs directly by developing community-serving, public-service work.
- Community support for union organizing.
- Establishing a grassroots early warning system to detect signs of plant closings.

Credit

Both Milwaukee residents and businesses have been starved for capital as financial institutions deny credit to entire areas of the city. To overcome this financial racism the report points to:

- Concrete ways to strengthen, enforce, and expand government regulations that foster socially responsible banking.
- Alternative financing from state government deposits, socially-targeted pension funds, and the creation of "public purpose" banks dedicated to community development.

Transportation and Environment

Sustainable Milwaukee seeks to move beyond mainstream economic wisdom that pits the environment against jobs. The report links traditional environmental concerns for pollution and nature preservation with inner city resident's battles over toxic dumping, workers' struggles for a safe work place, and suburban residents' feelings of a loss of community. In the end, a vibrant urban community, rather than

suburban sprawl offers the best path toward an environmentally sustainable future. Specifically, the plan encourages:

- Environmentally friendly jobs while also strengthening the ability of workers to identify and speak out against unsafe and toxic conditions.
- A shift of public transportation dollars away from highway construction and toward the development of light rail and an expanded bus system.
- New land use policies that encourage concentration and spatially diversified, integrated communities.
- Resources for housing reconstruction.
- Neighborhood-based environmental advocacy and enforcement efforts.
- Expanded governmental regulations against corporate pollution.

Education

While defending public education from right-wing attacks, the education task force was nevertheless frank about the need for genuine public school reform. Schools must be made more accountable to the community and tied to broader efforts at community revitalization. Specifically, the report calls for:

- Equity in school funding.
- A curriculum that is multi-cultural and tied to students' reality.
- Reduced class size.
- More ethnically diverse teaching staff.
- Elimination of tracking.
- Increased administrative openness and accountability.
- Greater and more diverse parental and community involvement. The report suggests a reform of the state's Family Leave Act that would allow parents the equivalent of two days a year of paid leave from work to take part in school-related activities .
- Major changes in "school to work" programs to include topics such as workers' right to organize, the history of the labor movement, health and safety protections, racial and sexual harassment, family leave laws, and the value of community service.
- The rebirth of the "lighted schoolhouses" in which schools become community centers open from early in the morning until late in the evening, providing both jobs and services for neighborhood residents.

them to training, services, and then real jobs. By 2000, after three full years of operation, the initiative had placed over one thousand residents in job in construction, manufacturing, and printing,. Not only did these jobs start at \$9-\$13 an hour, but they also provided clear paths for advancement through a lasting career.

Also a partner in the jobs initiative, the Wisconsin Regional Training Partnership is a decade-old alliance of manufacturing companies and unions. Originally founded to help firms increase the skills of their existing workers, through the jobs initiative now also helps prepare inner city residents for good jobs and works with them on the job to advance within the industry. The WRTP also works with area schools to educate both teachers and students about the opportunities for good-paying careers offered by skilled work in manufacturing.

Transportation is a Living Wage Issue

Because companies have moved many decent-paying jobs to the suburbs, effective public transportation is a Living Wage issue. Not only were entire areas of the Milwaukee underserved by an inadequate city bus system, but the broader area's public transportation did little to enable city residents to reach suburban jobs. The transit task force highlighted dramatic stories of workers who undertook heroic and time consuming journeys just to hold a job. Activists attributed the root problem to transportation policies which, for years, have prioritized highway construction and suburban road building. With large allocations of federal funds up for negotiation, Sustainable Milwaukee helped mobilized residents behind an alternative bus and light rail proposal. Because of grassroots activity, a \$241 million federal grant for southeastern Wisconsin transportation allocated substantial funds for constructing a light rail system and upgrading bus service. Unfortunately, Wisconsin's Republican Governor worked behind the scenes to get control of these funds.

Sustainable Milwaukee always represented an evolving experiment. After eight years of activism many of its projects had run their initial course and faced significant points of transition. Unfortunately, sudden unforeseen internal problems combined with these crossroads to produce a severe organizational crisis from which CSM was

not able to recover. Although specific projects have lived on the organization has not.

Sustainable Milwaukee's experience illustrates some of the potential for bringing a diverse array of groups together around a common agenda for family-supporting jobs. It demise reminds us of the difficulties in sustaining coalition projects over a long term. Three lessons stand out in particular. First, although the group did establish an environmental justice task force, such efforts never took on the same energy as the rest of the projects. As with sprawl, making strong and active connections between what are perceived as environmental issues and core social justice demands poses a challenging task. Furthermore,



sustaining any specific coalition campaign over the long term is difficult -especially when campaigns confront either significant defeat or, ironically, outright victory which takes away the immediate goal common. Finally, Sustainable Milwaukee grew as an effort to bring together a diverse array of groups to dialog and work around areas of common concern. Aside from the Central City Workers Center, the staff resources available for the other projects were modest. Such coalition efforts draw on the existing level of organization among different constituencies. Yet, at a community level many such constituents are either not well organized or do not have strong umbrella or networking institutions that can allow people to act with a common voice. Notably, more recent coalition projects such as LAANE and Working Partnerships have focused in building institutional capacity as much as bringing people together.

While a reminder of the fragility of any grassroots project, the basic thinking behind the coalition remains valid: labor and community groups can come together around a common vision that begins to take greater control of their collective economic lives. Such thinking when tied to concrete practice, raises people's sense of what is possible.

Working Partnerships USA



In the past few years, the South Bay Labor Council in Silicon Valley has become an example of a vibrant central labor body. As one of its recent innovations, in 1995 the labor council established Working Partnerships

USA to build active coalitions between unions and community groups.

A successful Living Wage campaign provided an early coalition effort. Unions and the community won a \$10 an hour Living Wage requirement for Santa Clara County's major tax abatement program. Until the Living Wage, the subsidy had been used by large chain retail stores, of the Super K-Mart variety, which hardly serve public aid. They typically pay low wages and drive down and more community-retailers out of business and are staunchly anti-union.

Labor and community leaders realized the potential to foster an ongoing, broad-based movement around progressive economic change. However, individual campaigns alone were not enough to sustain and build such movement. Working Partnerships USA set out to develop the broader building blocks needed by a labor-community social movement. Its activities span three major areas: research and planning, capacity building, and grassroots actions.

Exposing the Dark Side of Silicon Valley

Working Partnerships USA, in partnership with the Economic Policy Institute, won national media attention when they released a report detailing the dark side of Silicon Valley. For years, the media, business people, politicians, and academics had held up the South Bay area as a shining example of the new, "prosperous" high-tech economy. Indeed, 20 of the world's 100 largest electronic and software firms are headquartered in Silicon Valley. The area boasts the largest export market in the nation.

However, as *Growing Together or Drifting Apart?* details, huge sections of the population were not enjoy-

ing the prosperity. Indeed, many had become its victims. The hourly wages of three-quarters of the Valley's workers actually fell between 1989 and 1996. The much-trumpeted jobs for system analysts and electronic engineers were accompanied by mushrooming work as waitresses, janitors, and cashiers. At the same time, the cost of living had increased dramatically. Researchers found rents for one bedroom apartments averaging \$1,100 a month in 1997. The median purchase price of a home had increased nearly 20% in one year to \$323,000. In short, a full 55% of Silicon Valley's jobs did not pay enough to support a family of four independent of public assistance. The 68-page report also detailed a growing crisis in public services and large-scale environmental damage and pollution.

By profiling in detail the state of the regional economy, Working Partnerships provided a framework for developing a progressive response.

Today, the coalition is working on a Community Economic Strategy Plan which will provide a community-centered, progressive policy framework for economic development.

Specifically, the plan explores such issues as the proper role of government, tax and revenue standards, job cre-

ation and employment policies, and standards for corporate accountability. Working Partnerships USA also plans to continue publishing an annual set of economic indicators that, unlike conventional measures, include such community standards as the availability of living wage jobs, access to health care, housing affordability, and environmental quality.

Building Grassroots Leadership

The profile of the regional economy also feeds into Working Partnership's new Labor/Community Leadership Institute. Working in affiliation with San Jose State University, the Institute has designed a training program for union leaders, community activists, concerned clergy, and policy makers to develop, advocate, and implement policies benefiting working families. The eight session program includes such topics as: globalization and the regional economy, the regional political economy, the role of unions, privatization, and the role of government.

This agenda seeks not simply an intellectual analysis. Working Partnership USA actively recruits current and future labor, community, and religious leaders. These



participants not only meet in the same room to discuss the regional economy, but are also teamed up to work on a concrete project (in the initial curriculum outline this project focused on different components for a Living Wage campaign). Thus, the Institute aims to produce a pool of local leaders and activists familiar with each other's particular issues as well as each other personally. Through a systematic process these people have discussed ideas for a more progressive economic future. The curriculum also trains people in the role of local boards, commissions, and elected office, with an eye toward preparing participants to assume positions of public power.

The course costs each participant \$350 (with scholarships available) and includes continuing education credits. Working Partnership actively recruits for each class — looking to bring together a diverse and representative collection of current and future grassroots leaders.

Through its many activities Working Partnership has also consciously pulled together an Interfaith Council on Religion, Race, Economics, and Social Justice. This work aims to develop a faith-based, progressive vehicle for support and dialogue on issues facing working families.

Grassroots Action

Working Partnerships continues to mount concrete action campaigns. In 1998 the coalition helped organize a successful Living Wage campaign in San Jose that established the highest Living Wage in the country at \$9.50 with health insurance or \$10.75 without. The law also includes important provisions that all contractors have to assure the city basic labor peace by remaining neutral during a union election and bargaining fairly.

Prior to this effort, it had joined a boycott of a new Super K-Mart which had violated its promises to be neutral in union organizing and to use union workers to build the store. The coalition helped persuade the city council to pass a resolution in support of the boycott.

Living Wage campaigns and boycotts of notorious employers offer ways to block the corporate low road. To pave the high road, Working Partnerships USA looks toward new models of labor representation. Silicon Valley's high-tech firms offer leading examples of the "virtual corporation". These companies invest less in large scale plants and facilities and more in networks of suppliers and subcontractors. This means a workforce

that works in smaller plants and whose jobs are more contingent, temporary, and part-time. The lean corporation also renders many traditional union bargaining goals -- such as set work rules and detailed job classifications -- much less relevant. Protecting worker interests in the new work place increasingly requires battling for direct worker voice in workplace decisions.

Working Partnerships USA has pioneered two innovative programs. A Temporary Workers project experiments with new ways of organizing workers whose employment is not fixed at large scale locations. The project looks toward offering temporary and contingent workers low cost health and retirement plans in return for dues. Working with area employers, unions, and educators, the project also plans a skills certification program so that contingent workers can both receive adequate and ongoing training and have such skills recognized by employers. In this way, a worker can enjoy career advancement even though they may frequently change employers.

Working Partnerships also helps labor-management committees foster high performance workplaces by increasing worker skills and participation in decision-making. When pursued by management alone, "employee participation" schemes frequently prove ineffective or, even worse, prove outright hostile to workers and unions. Workers and unions clearly need pro-active strategies to promote models which genuinely empower workers. Working Partnerships has worked with local governments to lessen the attraction of privatization by raising the quality and effectiveness of public bureaucracies through employee training and genuine labor-management cooperation. It also looks toward aiding private industry to utilize training and new technology to support the kinds of skilled, empowered workers key to high performance workplaces.

While each individual component is impressive in its own right, the key to Working Partnership USA lies in the greater whole they pursue. Taken together the partnership is laying the foundations of a broad social movement for economic justice and democracy. Working Partnerships USA fosters the leadership, agenda, concrete experience, and personal connection which make a progressive future possible in the region.



Electoral Politics

Since Living Wage campaigns are deeply political, they both effect and are effected by the local political balance of power. They benefit when progressive champions sit on local elected bodies. They also force elected officials to take a stance on an important local political issue.

Over the past two decades, the gulf between the social and economic crises which people live every day and the official debates between the two major parties has steadily widened. The right-ward drift of the Democratic Party has left the entire left side of the political spectrum without an official voice. In this gap an increasing number of grassroots activists and organizations have begun to build progressive alternatives. The below examples demonstrate the electoral possibilities which can grow out of Living Wage organizing.

Living Wage as an Electoral Issue



Several campaigns have demonstrated the ability of the living wage to provide a wedge issue for electoral politics. The Chicago example, which we have already described, shows how the living wage can help elect candidates and how the threat of electoral challenge can support the living

wage. Increasingly, activists have made the living wage a key issue for candidate endorsements and campaigns. In Pine Bluff, Arkansas, for example, ACORN made support for living wage a requirement for their Congressional endorsement. Their pro-living wage Democratic candidate then went onto win the election in a previously Republican seat. In Little Rock activists put the living wage on candidate lawn signs. In Manhattan, Kansas organizers made the living wage part of the endorsement process -- publishing the results. Because of term limits, most incumbent New York City Council members will not be able to run for reelection. Activists are using an active living wage campaign to provide a litmus test for the upcoming election cycles.

New England Takes a LEAP



Both Citizens for Economic Opportunity and the Massachusetts Campaign on Contingent Work grew out of changes in progressive politics fostered by over a decade of innovative labor-community electoral work. The coalition model came from Connecticut's pioneering

Legislative Electoral Action Program (LEAP). Since the 1980s, LEAP has brought together union and community groups to recruit and run progressive activists for state offices by entering Democratic primaries. Coalition partners pool their political action resources to train candidates, raise money for campaigns, and bring out the volunteers for old-style, door-to-door politics. As a result, labor organizers, retired factory workers, feminists, environmentalists, Puerto Rican activists, etc. now sit in the state legislature. Roughly one-third of the Democrats in the state legislature are LEAP candidates.

Over time, the LEAP coalition has also become a vehicle for coalition lobbying and legislative campaigns. It helped fight for a state income tax to replace more regressive forms of state funding. At hearings on anti-pollution bills legislators have faced not only the "usual suspects" of the environmental community, but also union representatives. Similarly, when the gay and lesbian community marched on the state capital to support anti-discrimination laws they were joined by organized labor and other LEAP partners. Such cooperation has extended well beyond the halls of government to include strike support and economic projects like Citizens for Economic Opportunity.

One of the obvious signs of success is emulation. Today, all of the New England states outside of Vermont have active LEAP-style coalitions (Vermont has its own unique Progressive Coalition which operates outside of the two-party system). In 1996, LEAP and its spin off coalitions helped elect New Hampshire's first woman Governor, oust five incumbent Republican members of Congress, and swing four state legislatures to Democratic control. Progressive candidates with activist support have proven more effective than the Democratic Leadership Council's "centrist" Democrats. The LEAP spin-off in Maine, the Dirigo Alliance, won a spectacular victory

through coalition work in 1996 when voters approved a referendum establishing a model for public financing of state elections. Under the Clean Elections system candidates for state office can forego private campaign contributions to have their entire election supported out of state funds. In 1998, campaigns in Massachusetts and Arizona won voter passage of similar laws. The November 2000 elections, however, saw a clean election law go down to defeat in Oregon.

As we will see in the next chapter, Minnesota has had a model corporate subsidy accountability effort. Not surprisingly, when progressives formed MAPA, the legislative and research coalition to support such organizing, they also established Pro-Vote to recruit and run progressive candidates.

Building a New Party



With organizing experience in Milwaukee, the Twin Cities, Madison (WI), Montgomery County (MD), Chicago, Missoula (MT), and Little Rock (AK), the New Party has been quite involved with the Living Wage movement.

Several strategies that have been key to New Party success have general application. The New Party focuses on fostering active local groups through carefully targeted issue and election campaigns. It only enters electoral contest in which its candidate can either win or have a strong showing. Thus, most races have put New Party members into local offices (city councils, school boards, county commissions), although some went to state legislatures and Chicago's Danny Davis now sits in Congress. Most local races in this country are nonpartisan contests where no party label appears on the ballot. For higher-level, partisan contests the New Party has been willing to run committed community activists through the Democratic party's ballot line. In addition to organizing for the living wage, the New Party has fought for police accountability measures, public school funding, campaign finance reform, and public accountability over corporate welfare.

New York's Working Families Party

The New Party had hoped to revive an old fusion strategy of cross-endorsements between parties. Under such a practice, a third party could build its electoral base by asking voters to elect specific Democratic candidates by selecting them under the third party's ballot line. At the same time, third party candidates could capture the Democratic nomination and win an election running on both ballot lines. New Party organizers saw such a strategy as key to gaining the large scale support of labor unions and other progressive organizations engaged in Democratic Party politics. In 1998, these hopes received a major set back when the U.S. Supreme Court shamelessly upheld the two-party system by declaring state laws banning fusion constitutional. New York, however, is not only one of few states that legally allows fusion, it also has an active history of minor parties using cross endorsements. The 1998 founding of the New York Working Families Party illustrates what the New Party had hoped to open up throughout the country. With key support from CWA, UAW, Teamsters, the Buffalo Teachers Federation, ACORN, and the New Party, the Working Families Party won ballot status when over 50,000 voters selected the Democratic Parties nominee for Governor on the WFP ballot line.

The Working Families Party aims to build up an organizational political voice for working people, while avoiding asking its supporters to endorse spoiler candidates that allow Republicans to win. When Democrats are elected by margins that come from the WFP ballot line, the party gains leverage. A progressive voice become even stronger when the joint candidates come from within the WFP coalition's ranks. The Working Families Party also provides a framework for unions and other groups to engage in authentic and independent party work: developing an agenda, mobilizing the grassroots, and foster candidates. In 1999, the party cross-endorsed 226 candidates. In two New York City council races the WFP received ten and twelve percent of the vote, helping elect Eva Moskowitz and Christine Quinn. The WFP also provided margins of victory in races in Hempstead, Woodstock, Nassau County, and Dutchess County. A third party candidate ran on both the WFP and Green Party ballot lines to gained 14% of the vote against an entrenched Democratic incumbent in Brooklyn. In March 2001, the Party held 1000-person candidate forum in New York City in which three of the four Mayoral candidates, including the front-runner, pledged to introduce the WFP-backed living wage ordinance within seven days of becoming mayor!

Chapter Ten

From Local Activism to State and Federal Campaigns

With over a hundred local living wage campaigns having developed across the country, this momentum is now carrying into statewide campaigns around wages and corporate responsibility. By the end of 2000, activists in a dozen states had unleashed or were preparing to launch campaigns for state laws around economic justice. In this chapter we detail four successful campaigns that provide models for how labor-community coalitions can win legislative change. A summary of other efforts, which offer a wide variety of angles, is provided at the end.

Vermont Livable Wage Campaign



The ongoing Vermont campaign stands out for the way in which activists are building a statewide movement through systematic steps over several years. The Peace and Justice Center, located in Burlington, helped to get the ball rolling through a five phase, 1997-1999 release of reports documenting the low-wage difficulties experienced by workers in the state. The studies included a compilation of the basic cost of living, the gap between these needs and the jobs that were being provided, the social costs of this gap, and policy recommendations. The Center has also helped foster two institutional supports: Vermont Faith Communities for a Just Economy and the Vermont Workers' Center. The later works to build union solidarity, rapid response networks, a right to organize campaign, and workers rights boards. Including a part-time Livable Wage Campaign director, these organizations could offer half a dozen mostly part-time staff to help with the campaign.

In the state capital, the Vermont Livable Wage Campaign gradually built legislative momentum. In 1998, the campaign won a raise in the state's minimum wage 10 cents an hour to \$5.25. A year later, the campaign



won a fifty cents raise (to \$5.75) and a \$60,000 appropriation for a summer legislative study. This Summer Study Committee on Livable Wages commissioned a research team to further document the wage issues in Vermont. Following a public hearing, the committee drafted legislation that was introduced

and passed in May 2000.

This Act 119 not only raised the minimum wage to \$6.25, but offered a comprehensive series of steps to address the wage-job gap. It allocated \$3.5 million to increase the state's Earned Income Tax Credit from 25 percent to 32 percent of the federal credit. Through the Act, activists got the state to take over the calculation of the basic needs budget and a range of other wage and benefit information, including the costs and availability of health care. State authorities will also review the regional development strategic plans linked to federal and state workforce training funds. The state will also examine its tax code in terms of how it impacts low-wage workers. The Act also offered a range of benefits to small business and non-profit organizations. The state will consider the feasibility of allowing such employers to buy into the state's healthcare program for its employees and hence enjoy the benefits of a larger purchasing pool. A new Small Business Advisory Commission was established to find ways of assisting such employers in their interactions with the state administration. Roughly ninety percent of Vermont business employ 15 workers or less.

By raising a fundamental discussion about wage levels, the campaign also encourage various state agencies to re-examine their own employment policies and to put livable wage goals in their work plans. Through collective bargaining supported by community allies, the state employees unions won a wage floor of \$8.10 -- the livable wage amount for a single person.

The campaign has also fostered a wealth of local organizing. By mid 2000, three cities had passed livable wage ordinances covering 800 municipal employees. In five other communities, town meetings had passed resolutions calling on the legislature to do more to create livable wage jobs. The campaign has helped support successful battles

against privatization, provided strike support, and aided union contract campaigns. The campaign has also trained volunteers throughout the state to hold local popular education workshops about livable wages. Activists also pulled together Vermont Business for Social Responsibility in order to help business attract and retain quality employees through livable wages. The business group has produced a ninety-page tool kit explaining the hidden costs of low-wage employment, the steps for creating livable wage jobs, and concrete ways of overcoming the obstacles to such a business strategy.

By 2001 the campaign looked ahead to strengthening and expanding the network of local livable wage groups, adding new organizations to its state coalition, and conducting more popular education. The campaign planned to establish livable wage policies for state college support staff. If successful, the model would then be applied to campaigns for K-12 support and para-educational employees.

Minnesota's Campaign for Corporate Welfare Reform



Coalition struggles during the 1980s over military industry conversion helped establish two key sister coalitions aimed at redirecting economic policy debates.

The Minnesota Alliance for Progressive Action (MAPA) was formed in 1988 to promote a new progressive legislative agenda. Its companion, Pro-Vote, organizes to get progressives into public office.

During the early 1990s, MAPA's organized and lobbied for a more progressive state tax system. By 1994, it became clear to organizers that they had been overlooking a major element of tax injustice: the nearly one billion dollars a year that state and local governments were quietly giving away to corporations through tax abatements and deferments. Calling their target "corporate welfare", MAPA launched a campaign to highlight the hypocrisy of policy makers who demand "accountability" from low-income families, but were silent on issues of subsidies to corporations. In 1995, MAPA released its first report detailing the almost one billion dollars the state was giving away to companies. It contrasted these figures to the \$143 million spent on AFDC and work readiness programs. While the corporate subsidies were

given in the name of job creation, companies that failed to create new jobs generally faced no penalties.

Using its research, MAPA developed corporate accountability legislation requiring firms receiving state financial assistance to agree to meet specific wage and job creation goals within two years of receiving public aid. The law applied to all firms receiving tax increment financing or \$25,000 or more in grants and loans, but exempted small business. The original draft also included a minimal wage level of at least \$7.28 per hour, or above the federal poverty line for a family of four. Through hard fought and very public efforts, the coalition won the passage of their law in 1995 minus the wage requirements. A year later, the coalition mounted a strong effort which got the legislature to pass the wage stipulations. However, a veto by the governor scuttled the measure.

As with the Living Wage, Minnesota's corporate welfare reform campaign has helped foster a growing and active coalition. By the spring of 1996, MAPA's network included ACORN, Community Action of Minneapolis, Minnesota Coalition for the Homeless, AFSCME, UAW, United Steelworkers, UNITE, Minnesota Association of Professional Employees, the National Lawyers Guild, Clean Water Action, Minnesota National Organization for Women, and the Gay and Lesbian Community Action Council.

Also paralleling local Living Wage campaigns, MAPA continues to organize to strengthen the subsidy law and to ensure effective enforcement. The law's disclosure provisions have proven an especially useful tool. MAPA, independent researchers, and state officials have used the information thus provided to offer one of the most detailed pictures of corporate subsidy use anywhere in the country. For example, in February 1998, Greg LeRoy released a report detailing the high costs and low benefits of the state's corporate welfare policies. Through its Tax Increment Financing Program the state was spending \$100,000 or more per job. Yet, most of this activity did not create new jobs overall, but simply subsidized corporate migration within the state. Public money was actually being used to lower wage standards. The vast majority of new jobs created with state subsidies actually paid below the local market averages — despite two-thirds of the projected jobs coming in the so-called "high-wage" manufacturing sector. In more than two thirds of the subsidy deals reporting jobs, the wages were so low that a family of three would qualify for Medicaid.

Such shocking facts provided MAPA with evidence to push for even stronger corporate accountability legislation. In 1997, the coalition won the creation of a legislative Commission on Corporate Subsidy Reform whose majority sympathized with the campaign's goals. A year later MAPA and its allies introduced a new law based on the Commission's recommendations. While the bill died in the legislature that year, in 1999 the campaign won passage of the Business Subsidy Reform law. The new legislation requires communities to develop public purpose and wage criteria for business subsidies. It also mandates stronger reporting, the approval of subsidies through a publicly elected body, mandatory public hearings, and the ability of the community to take back a portion of the aid if promises are not kept. In short the law brings business subsidies out of the closet and into the light of public standards and public scrutiny.

Minnesota's example has been followed in other states. A campaign in Maine passed a subsidy disclosure law which has allowed activists to bring corporate subsidy abuse into the open and to press for legislative change. In 2001, campaigns in other states, such as Kentucky, Washington, and Montana, have followed suit by introducing state corporate accountability laws.

Corporate Responsibility in Connecticut



In several states, labor-community coalitions have begun to articulate progressive economic alternatives. In Connecticut, for example, Citizens for Economic Opportunity (CEO) brings together unions, community, and religious groups to broaden debate on economic issues and to promote a progressive legislative agenda.

CEO grew out of battles against large scale downsizing within the state's key insurance industry. While grassroots efforts have not blocked either a job-destroying merger involving Aetna Insurance or the conversion of Connecticut Blue Cross to a for-profit subsidiary of Anthem, organizing did raise a serious public concern over the mostly non-union insurance industry. These initial campaigns also led CEO to focus on the general issue of corporate responsibility. By 1998, the coalition had developed a legislative agenda that:

- * Denies tax breaks to irresponsible corporations and grants them only to those that can demonstrate a record of living wages and decent jobs.

- * Requires corporations receiving state economic assistance or state and municipal contracts over \$50,000 to provide good wages (at the median wage for the industry), provide health insurance or additional compensation to purchase such insurance, and to not pay CEO salaries 50 times greater than the hourly rate of the company's lowest paid worker).

- * Discourages the replacement of full-time workers with contingent labor by requiring the same hourly pay and benefits for temporary and part-time as are paid to regular employees.

After years of patient organizing, by the end of 2000, CEO had built sufficient coalition and political support to enter the next two-year legislative cycle prepared to push its legislation forward.

Washington's Minimum Wage Campaign



Historically, the very existence of the federal minimum wage was predated by numerous state and local efforts to establish more local standards. Today, some state minimum wage laws simply apply to workers not covered by federal law. For example, in Texas, state law sets the minimum wage domestic servants and farm workers at a mere \$3.15 an hour thanks to Governor Bush's refusal to allow an increase. However, other states cover all workers by mandating across-the-board minimum wages higher than the federal level. These are the laws which activists need to push.

In 1996, California voters approved a ballot initiative to increase the state's across-the-board minimum wage to \$5.75 in 1998. That same year, Oregon voters approved an increase in their state minimum wage to \$6.50 by 1999 – the highest minimum wage in the country. Washington State, however, soon exceeded this record. In 1998, voters approved -- by a two-thirds margin -- ballot initiative 688 raising the state's minimum wage to \$6.50 in 2000.

Equally important, the new law indexes the minimum wage to increase automatically at the rate of inflation. In 2002, Oregon voters passed an increase in their minimum wage to \$6.90 in 2003 and indexed it to inflation.

All of these ballot wins came as the result of strong labor-community coalitions. Washington's campaign is a case in point. By the end of the 1980s, the Washington State AFL-CIO had begun to shift its political strategy from its traditional emphasis on raising money for Democratic candidates to a more issue-driven and coalition-building mobilization agenda. In alliance the Washington Association of Churches, Washington Citizen Action, the National Organization of Women, the Fair Budget Action Coalition and a host of other community groups, the state labor council formed the Livable Income Campaign. Through a 1988 ballot initiative they raised the state's minimum wage from \$2.30 to \$4.25 an hour. In 1998, these groups took to the ballot box again with initiative 688 to raise the minimum wage from \$4.90 to \$6.50. The measure passed with two-thirds voting in favor.

This 1998 effort defied official political wisdom by relying upon grassroots volunteers, rather than paid canvassers, to collect the 280,000 signatures needed to get the measure on the ballot. Over one hundred organizations and elected officials endorsed 688. Papers, such as the daily *Seattle Times*, however, editorialized against the initiative by raising false alarms over the impact of the wage increase on small businesses. Not only did the ballot initiative win, but the minimum wage campaign contributed to progressive efforts to get out the vote for the November election. Indeed, Washington voters defied the national trend of voter apathy to deliver the highest turnout in a non-Presidential election year since 1982. As a result, the Democratic Party was able to break into

the previously all Republican suburbs around Puget Sound. This swung the state's congressional delegation to a Democratic majority. In an even greater upset, the Democrats took control of the state senate and shared control of the state house.

Raising the minimum wage has mass appeal. The 1996-97 increase in the federal minimum wage from \$4.25 to \$5.15 did not come from the enlightened initiative of the Republican-controlled Congress. Following their 1995 election, the new leadership of the national AFL-CIO launched the "America Needs a Raise" campaign. With town hall meetings in 26 cities, the labor federation hoped to raise public awareness about the economic pressures faced by working people and the right to join unions. The project also looked toward building alliances with community groups. This campaign, and other efforts, helped convince President Clinton to defy the wisdom of his Democratic Leadership Council and come out in favor of a minimum wage increase in his 1996 State of the Union address. Television and radio ads sponsored by the AFL-CIO in 30 Congressional districts, phone banks to 200,000 union members, and lobbying by labor and other progressive groups helped convince 27 Republican Senators and an even a larger number of Republican House members to jump ranks and vote with the Democrats to pass the minimum wage increase. In the end, polls showed that no less than 84% of the American public supported the wage increase.

State minimum wage efforts can also link well to local living wage campaigns. Indeed, following their 1998 ballot win, Washington activists have set out to establish in at least four key counties throughout the state. In 2001, they have begun a campaign to push for a state corporate subsidy disclosure law.



Taking it to the Top: State and Federal Living Wage Campaigns

Years of successful local coalition building, public education and policy-making have laid the foundation for new proposals at the state and federal levels. These new campaigns have the potential to consolidate and expand the political power and organizational structure developed locally.

State Campaigns

The success of the local grassroots living wage movement has given rise to several efforts at the state level. These efforts vary in approach, but most employ the “living wage” banner and attempt raise wages and/or increase corporate and government accountability. What follows are some examples of (mostly) new campaigns being led by community, labor and religious organizations in several states to build support for state legislation.

- In Illinois, ACORN and SEIU are fighting for a living wage for homecare, nursing home and other care providers whose employers receive state money.
- In Connecticut, citizens for Economic Opportunity campaign continues a five-year battle to enact strong job quality and corporate accountability legislation that would require businesses that get state economic development money to stay in the state, offer pro-rated pay and benefits to part-timers and temps and to create new, quality jobs. Their proposal also calls for strict monitoring by state economic development agencies, and for loan recipients to immediately repay their state loans if they don't meet the employment standards.
- In New Mexico, ACORN, the state AFL-CIO, Human Needs Coordinating Council and others are fighting to raise wages of direct state employees.
- In Massachusetts, ACORN and the state labor federation are fighting their third joint wage campaign – this time to win a permanent index on the highest-in-the-nation minimum wage that they won in 2000. They have also introduced legislation to require companies getting economic development subsidies to disclose their hiring and wage information.
- In Washington state, the AFL-CIO, Washington Citizen Action Washington Council of Churches are leading a campaign to increase corporate accountability by re-



Rep. Gutierrez introduces the Federal Living Wage bill

quiring annual reporting by businesses that receive public subsidies and incentives, including the amount and purpose of subsidies and detailed information jobs and wages levels. Similar campaigns are underway in Kentucky (Democracy Resource Center, AFL-CIO, Kentuckians for the Commonwealth) and Arkansas (ACORN, Arkansas AFL-CIO, Arkansas Advocates), and elsewhere.

Additional legislative efforts around minimum wage, living wage and/or corporate accountability, largely initiated by state federations of labor, were undertaken in previous years or are being contemplated in other states, such as West Virginia, North Carolina, Iowa, Rhode Island, New Hampshire, Minnesota, Arizona, Pennsylvania and Oregon.

The Federal Living Wage Campaign

Thus far, the tremendous success of the living wage movement has not trickled up to compel Congressional action. Despite living wage campaigns delivering wage increases on the order of \$10-\$12 in cities large and small, Congress has failed to raise the minimum wage even a meager one dollar to \$6.15 an hour. As a result, Congress has been allowed to remain too insulated from a larger debate around the problems of the working poor that living wage campaigns have succeeded in raising on the local level and in the national press. These issues include not only the problem of the stagnant minimum wage and the historic rise in low wage work, but also lack of access to health care, affordable housing, problems associated with welfare reform, unfettered corporate welfare, privatization, temporary employment, lack of public accountability, and the importance of workers' rights to organize.

Living wage activists can and must fight to force a debate on the minimum wage and beyond. The federal government's policies should mirror the simple principle being established by grassroots living wage campaigns across the country as citizens and government must require better wages and benefits in return for the use of public funds. Enter the Federal Living Wage Campaign.

The Federal Living Wage Campaign is an attempt to inject the energy, organizing and good public policy that characterize the living wage movement into national debate – specifically aimed at Congress. Obviously, given the current Republican domination of the Federal government such an effort is a long-term campaign to inject this fundamental debate into the national arena. While the Service Contract Act of 1965 requires a “prevailing wage” to be paid on most federal service contracts, many job categories are exempt from SCA coverage and on other jobs the local prevailing wage is well below a living wage. The Federal Living Wage would set a wage floor on federal service contracts to insure that our tax dollars are not enriching poverty wage businesses.

Toward that end, in the Spring of 2001, both Rep. Gutierrez (D-IL) and Senator Wellstone introduced the Federal Living Wage Responsibility Act, which requires firms holding federal service contracts worth at least \$10,000 to pay employees working on that contract enough to lift a family of four above the federal poverty line — at least \$8.50 an hour plus fringe benefits. The bills provide exemptions for small businesses and non-profits. The bills also require that all direct federal employees be paid at least a living wage.

Each year the federal government spends billions of dollars to pay private sector companies to provide janitorial, cafeteria, security, and other services, in federal buildings and on federal projects. A Federal Living Wage

would insure that these taxpayer-supported jobs are not poverty jobs. The federal government should set an example for the rest of the country by paying its own workers a living wage and doing business only with employers that are committed to doing the same.

On November 30th, 2000, ACORN organized a National Day of Action for a Federal Living Wage with participation from living wage activists in over 50 cities. The Day of Action coincided with the release of a report by the Economic Policy Institute which estimated that close to 500,000 government employees and those employed on federal contracts are making less than a living wage (that study is available at www.epinet.org).

For more information on the Federal Living Wage Campaign or any state campaign: Call ACORN at 202-740-9500.

The National Campaign for Jobs and Income Support

The Federal Living Wage Campaign is being coordinated by ACORN as part of the National Campaign for Jobs and Income Support. The National Campaign is a newly formed consortium of more than 25 community organizations and networks with an aggregate membership of 300,000 families and affiliates in more than 40 states. The mission of the campaign is to elevate issues of poverty and inequality on the national agenda and amplify the voice of low income communities in public policy. The campaign is coordinating action on a range of important issues including welfare reform, health care, living wage, job training, amnesty and access to public benefits. For more information call Seth Borgos at 718-246-4858.

Chicago Defender

Wednesday, September 16, 1998
4th Circle Chicago and
83 Years of Continuous Publishing - 1905-1998

Cook County OKs Living Wage law

Helpful Contacts

Direct Technical Help

ACORN Living Wage Resource Center

739 8th St. S.E.
Washington, DC 20003
202-547-2500
www.acorn.org

Jen Kern: natacorncam@acorn.org

Legal Aid

Brennan Center for Justice at NYU School of Law
161 Avenue of the Americas
New York, NY 10013
(212) 998-6328
paul.sonn@nyu.edu

Paul Sonn has provided a range of assistance to living wage campaigns. He is currently working with ACORN to develop ordinance language while researching new avenues for expanded living wage coverage.

NLG/Sugar Law Center
645 Griswold St. 1800
Detroit, MI 48226
313-962-6450
mail@sugarlaw.org
www.sugarlaw.org

The Center has recently launched its "Live Up to the Living Wage" Project to support campaigns in their efforts to implement and enforce their living wage laws.

Estimating the Impact of Living Wage Laws

Political Economy Research Institute
10th floor Thompson Hall
University of Massachusetts
Amherst, MA 01003-7510
413-545-6355
sluce@econs.umass.edu
pollin@econs.umass.edu
www.umass.edu/peri/

Bob Pollin, Stephanie Luce, and Mark Brenner have perfected the methods which they used to research Los Angeles. They continue to do impact studies and are also available to advise campaigns on how to mount such research.

Union Organizing and Aggressive Enforcement

Los Angeles Alliance for a New Economy (LAANE)
548 S. Spring St., Suite 630
Los Angeles, CA 90013
213-486-9880
www.LAANE.org

LAANE provides a wealth of experience on links to union organizing, legislative and grassroots efforts around enforce-

ment, and building a series of effective coalitions.

Interfaith Organizing

National Interfaith Committee on Worker Justice
1020 W. Bryn Maur Ave. 4th floor
Chicago, IL 60660
773-728-8406
www.nicwj.org

Popular Economics & Pro-Living Wage Employers

United for a Fair Economy
37 Temple Place, 5th Floor
Boston, MA 02111
617-423-2148
www.ufenet.org
www.responsiblewealth.org

Vermont Livable Wage Business Tool Kit & Technical Assistance to Living Wage Activists in Rural Areas

Peace and Justice Center
21 Church St.
Burlington, VT 05401
(802) 863-2345
www.vtlivablewage.org

Progressive Think Tanks

While there are many such progressive policy and advocacy organizations, below are a few that have done recent work of use to living wage campaigns.

Economic Policy Institute

1660 L Street, NW, Suite 1200
Washington, D.C. 20036
202-775-8810
www.epinet.org

Jeff Chapman (202) 533-257; jchapman@epinet.org
Jared Bernstein (202) 331-5547; jbernstein@epinet.org

EPI is the think tank most active in the living wage movement. It maintains a series of resources for living wage campaigns including a list of living wage resources, resources on poverty measures and family budget issues., and a very helpful a guide to creating a basic family needs budget using government data. EPI economists and policy analysts have done radio shows, provided quotes for the media, and testified in support of living wage campaigns.

National Priorities Project

17 New South Street
Northampton, MA 01060
415-584-9556
www.natprior.org

NPP is dedicated to helping local groups organize around the local impact of Federal policies. It offers good state and local information on the impact of the Federal budget. Their Working Harder, Earning Less offers detailed state job patterns as well as their state-specific definitions of a living wage.

Center on Budget and Policy Priorities

820 First Street, NE, Suite 510
Washington, DC 20002
202-408-1080
www.cbpp.org

Publications include material on wages, poverty, and welfare reform. Example: *Poverty Despite Work: Data and Guidelines for Preparing and Reporting on the Working Poor in Each State*.

Other Notable Groups

The Baltimore Model:

Solidarity Sponsoring Committee

175-B West Ostend
Baltimore, MD 21230
410-837-3458

AFL-CIO, Public Policy Department

Provides summary and specific information on living wage campaigns involving central labor councils, state federations of labor, and local unions.

Contact: Christine Silvia (202) 637-5177; csilvia@aflcio.org

AFL-CIO's Working for America Institute

formerly Human Resource Development Institute

1101 14th, N.W., Suite 320
Washington, D.C., 20005
202-638-3912
www.workingforamerica.org

The old HRDI published a good, practical guide for developing high road economics entitled *Economic Development: A Union Guide to the High Road*. It details basic low road/high road concepts, lays out a wealth of community and state examples for setting the high road, and offers a tool box on coalition-building, strategic planning, and research and evaluation. The renamed Working for America Institute continues to promote labor-community coalitions for the high road and offers a wealth of resources..

Good Jobs First

1311 L Street, N.W.
Washington, D.C. 20005
202-626-3780
goodjobs@ctj.org
www.ctj.org/itep.

Good Jobs First is the national clearinghouse for grassroots organizations and public agencies and officials promoting corporate accountability. Good Jobs First is a project of the Institute on Taxation and Economic Policy/Citizens for Tax Justice. They offer a range of resources including *No More Candy Store*, several more recent reports on local and state organizing, and several research reports on corporate subsidy abuse.

Jobs with Justice

501 3rd Street NW
Washington, DC 20001
202-434-1106
www.jwj.org

Local chapters across the county bring together union members and community activists to organize around economic justice issues. Jobs with Justice pioneered the tactic of workers rights boards and has been involved in living wage campaigns in several cities.

LEAP-style coalitions

Citizens for Economic Opportunity

Massachusetts Campaign on Contingent Work

Northeast Citizen Action Resource Center
621 Farmington Ave.
Hartford, CT, 06105
203-231-2410

Minnesota Alliance for Progressive Action (MAPA)

1821 University Ave
Suite 5-307
St. Paul MN 55104
(651) 641-4053
www.mapa-mn.org

Vermont Livable Wage Campaign

Jen Matthews
Peace and Justice Center
21 Church St.
Burlington, VT 05401
(802) 863-2345
www.vtlivablewage.org

Working Partnerships USA

2102 Almaden Road, Suite 107
San Jose, CA 95125
(408) 269-7872
www.atwork.org

Written Material

Living Wage Materials

**For up-to-date links on living wage research go to:
PERI website at [www.umass.edu/peri/
lwlinks.html](http://www.umass.edu/peri/lwlinks.html)**

Living Wage Estimates

*List with links available at www.umass.edu/peri
-- go to links and resources.*

Robert Pollin and Stephanie Luce *The Living Wage: Building a Fair Economy* (New York: New Press, 1998).

Pollin, Robert and Mark Brenner, "Economic Analysis of Santa Monica Living Wage Proposal," 2000, Research Report Number 2.

Pollin, Robert, Mark Brenner, and Stephanie Luce, "Intended vs. Unintended Consequences: Evaluating the New Orleans Living Wage Proposal," 2001.

Pollin, Robert and Mark Brenner, "Economic Analysis of Santa Monica Living Wage Proposal," 2000.

Bruce Nissen "The Impact of a Living Wage Ordinance on Miami-Dade County" Center for Labor Research & Studies, Florida International University, Miami.. 305-348-2371. www.fiu.edu/~clrs/index/publications.html

David Reynolds, Rachel Pearson, and Jean Vorkamp "The Impact of the Detroit Living Wage Ordinance" Center for Urban Studies & Labor Studies Center, Wayne State University. 313-577-2191, online copy at www.laborstudies.wayne.edu.

Michael Reich and Peter Hall "Living Wages and the San Francisco Economy" also "Living Wages at the Airport and Port of San Francisco: The Benefits and Costs." Bay Area Living Wage Research Group, Center on Pay and Inequality, Institute of Industrial Relations, University of California, Berkeley, CA 94720. <http://socrates.berkeley.edu/~iir/>.

Carol Zabin, Michael Reich, Peter Hall "Living Wages at the Port of Oakland." Bay Area Living Wage Research Group, Center on Pay and Inequality, Institute of Industrial Relations, University of California, Berkeley, CA 94720. <http://socrates.berkeley.edu/~iir/>.

"Living Wage: An Opportunity for San Jose" Working Partnerships USA. Nichols, Leslie, "A Living Wage for Santa Cruz and Watsonville, CA," 2000. Working Partnerships USA. <http://www.atwork.org/wp/lw/index.html>

Tom Waters, Bob Becker Report on Knoxville, TN, Tennessee Industrial Renewal Network e-mail: tirn@igc.org, 423-637-1576

Osterman, Paul, "Report on the Impact of the Valley Interfaith Living Wage Campaign," Cambridge, MA: 2000.

Robert Pollin, Stephanie Luce, Mark Brenner "Can U.S. Cities Raise Minimum Wages Above the National Level? Evidence from New Orleans." Political Economy Research Institute (sluce@econs.umass.edu).

Post-enactment studies

*List with links available at www.umass.edu/peri
-- go to links and resources.*

Mark Weisbrot and Michelle Sforza-Roderick "Baltimore's Living Wage Law: An Analysis of the Fiscal and Economic Costs of Baltimore City Ordinance 442" (Baltimore: The Preamble Center for Public Policy, 1995 -- contact ACORN for more info).

Niedt, Christopher, Greg Ruiters, Dana Wise, and Erica Schoenberger "The Effects of the Living Wage in Baltimore" published by the Economic Policy Institute, Washington D.C. 1999 (available at www.epinet.org or call Chauna Brocht at EPI 202-331-5537; cbrocht@epinet.org).

David Reynolds and Jean Vorkamp "The Impact of Detroit's Living Wage on Non-Profit Organizations." Center for Urban Studies & Labor Studies Center, Wayne State University. 313-577-2191, online copy at www.laborstudies.wayne.edu.

"Living Wage Campaigns in the Economic Policy Arena: Four Case Studies from California." <http://www/iir/berkeley.edu/~iir/clre/pubs.html>

Andrew Elmore "Contract Costs and Economic Development in Living Wage Localities: A Report from Cities and Counties on the Impact of Living Wage Laws on Local Programs." 2002, Brennan Center for Justice.

Michael Reich, Peter Hall, Ken Jacobs "Living Wages and Airport Security" [San Francisco Airport] 2001. www.iir.berkeley.edu/publications/pdf/air_sep01.pdf

External Reviews

"Minimal Enforcement: The Cleveland Living Wage Law's First Year" by Dave Focareta at Policy Matters Ohio (www.policymattersohio.org).

"An Analysis of Forecasted Costs and Benefits of the Chicago Living Wage Ordinance," July 2002, by Ron Baiman, Joseph Persky, and Nicholas Brunick at the Center for Urban Economic Development, University of Illinois, 312-996-6336.

"An Review of Potential Improvements to the Chicago Living Wage Ordinance," August 2002, by Nicholas Brunick, Suara Sahu, Ron Baiman, Julie Hurwitz, and Christina Salib at the Sugar Law Center (www.sugarlaw.org) and the Center for Urban Economic Development.

Internal Reviews

Los Angeles (Bureau of Contract Analysis, City of LA) contact CAO office, LA: 213-367-5072
Los Angeles (Richard Sander) contact at 310-206-7300.

San Jose (Office of Equality Assurance, City of San Jose, contact Nina Grayson, Director at 408-277-4899.)

City of Pasadena, One Year Status Report.
www.iir.berkeley.edu/publications/pdf/air_sep01.pdf

Benefits to Business

Jared Berstein *Higher Wages Lead to More Efficient Service Provision—The Impact of Living Wage Ordinances on the Public Contracting Process*. Economic Policy Institute, 2000. www.epinet.org.

Karen Kraut, Scott Klinger and Chuck Collins *Choosing the High Road: Businesses that Pay a Living Wage and Prosper*. Responsible Wealth.
www.responsiblewealth.org.

Living Wage Guides

A Living Wage Primer. (1999) Focuses on ordinance language. AFL-CIO Public Policy and Field Mobilization Departments. To get a copy contact Christine Silvia at 202-637-5177 (free)

Campus Living Wage Manual. (2000) United for A Fair Economy, 37 Temple Place 2nd Floor, Boston, MA, 02111 (617) 423-2148; www.stw.org.

USAS Campus Living Wage Manual (2002). Email Ben McKean at ben@usasnet.org or call 202-NOSWEAT.

The Economic and Policy Context

Studies on the Effectiveness of Tax Incentives

Robert Lynch *Do State and Local Tax Incentives Work?* (Economic Policy Institute, 1996).

William Schweke, Carl Rist, and Brian Dabson *Bidding for Business: Are Cities and States Selling Themselves Short?* Corporation for Enterprise Development, 1994.

Economic Development in Minnesota: High Subsidies, Low Wages, Absent Standards Good Jobs First, 1999 (see p.100.) or go to www.ctj.org/itep.

Another Way Sprawl Happens: Economic Development Subsidies in a Twin Cities Suburb Good Jobs First, 2000 (see p.100.) or go to www.ctj.org/itep.

Also see Good Jobs First (info above) for a list of the most recent reports and press coverage on subsidy abuses and accountability work.

The Minimum Wage Debate

Jared Berstein and John Schmitt "Making Work Pay: The Impact of the 1996-97 Minimum Wage Increase" (Economic Policy Institute, 1997).

David Card and Alan B. Krueger *Myth and Measurement: the New Economics of the Minimum Wage*. (Princeton, N.J.: Princeton University Press, 1995).

"Leading Economists Call for a Higher Minimum Wage" Center on Budget and Policy Priorities, October 2, 1995 — 101 economists, including three Nobel prize winners signed a statement that "the minimum wage can be increased by a modest amount without significantly jeopardizing employment opportunities." Is available on Center's web page cited above.

"The Effects of the Minimum Wage Increase on the Restaurant Industry," by Jeff Thompson and Anna Braun (March 23, 1999). This report examines the effects which increases in the state minimum wage have had on the restaurant and retail trade industries. [\$2.50 p/h] Available from: Oregon Center for Public Policy. on their web page at <http://www.ocpp.org/> or e-mail info@ocpp.org with name and address.

See also the Economic Policy Institute's website (cited above) for new pieces on both the minimum wage and living wage.

General Information on Wages and Working Conditions

Working Hard, Earning Less: The Story of Job Growth in America (National Priorities Project and Jobs With Justice, 1998) documents the alarming growth of poverty wage jobs. The National Priorities Project's second installment for the Grassroots Factbook provides state-by-state data details of which and how many new jobs pay below a livable wage. The NPP's web site makes this information available to any computer user that has Adobe Acrobat. www.natprior.org

Lawrence Mishel, Jared Bernstein, and John Schmitt *State of Working America* (Ithaca, NY: Cornell University Press). This bi-annual volume provides the latest data on working people. Call the Economic Policy Institute 202-775-8810.

The Poverty Despite Work Handbook: Data and Guidelines for Preparing a Report on the Working Poor in Each State. Center on Budget and Policy Priorities. (1999). To get a copy call Edward Lazere or Christina Fitzpatrick at 202-408-1080. \$12.

United for a Fair Economy — lots of free workbooks, fact sheets, organizing ideas around the issue of wage and income inequality (Corporate profits, CEO salaries, low wage work). 37 Temple Place, Boston, MA 617-423-2148; stw@stw.org; website: www.stw.org. Chuck Collins and Felice Yeskel have published *Economic Apartheid in America* (New York: New Press, 2000). The book both provides handy information on economic injustice as well as summarizing much of the organizing going on today for economic change.

Nancy Folbre *The New Field Guide to the U.S. Economy: A Compact and Irreverent Guide to Economic Life in America* (New York: New Press, 2000).

The National Low Income Housing Coalition issues an annual study, "Out of Reach," which compares fair market rent to the minimum wage by city. www.nlihc.org/oor2000/index.htm

Specific Wage Standards

See the Economic Policy Institute's website (cited above) for family budget studies.

"A Self-Sufficiency Living Wage for Chicago" September 2002, by Ron Baiman, Joseph Persky, and Patrica Nolan at the Center for Urban Economic Development, University of Illinois, 312-996-6336.

Wide Opportunities for Women (WOW) has developed a Self Sufficiency Standard used in several cities and states. WOW has already developed the standard for the following states (and some cities within them): CA, NC, MA, TX, DC, IA, MD, IL, PA, VA. For more information, to obtain copies, or to inquire about WOW developing the Standard for your community, contact WOW, 815 Fifteenth Street, MW, Suite 916, Washington, D.C. 20005, 202-638-3143.

The Vermont Livable Wage Campaign has done a series of seven report documenting the financial needs of working families and the inadequacy of the currently available jobs. See www.vtlivablewage.org.

Government Data

The Federal Poverty Guidelines come out every year around March and are available on the Department of Health and Human Services website. <http://aspe.hhs.gov/poverty/>

Bureau of Labor Statistics lists regional employment information at www.bls.gov/reghom.htm.

Corporate Accountability

No More Candy Store: State and Cities Making Job Subsidies Accountable by Greg LeRoy (1989, updated 1994). Available for \$20 from Good Jobs First -- see address above. "Minding the Candy Store" is an update also available.

Public Subsidies, Public Accountability: Holding Corporations to Labor and Community Standards (1998). Available from Grassroots Law Project for \$20, discounts for bulk. 202-387-2933 ext. 233).

A Corporate Welfare Reform Agenda: A Handbook on How to Curb State Tax Breaks for Economic Development, AFSCME Public Policy Department. 1625 L Street NW, Washington, D.C.20036, 202-429-1000.

Blocking the Low Road, Building the High Road

Daniel Luria and Joel Rogers "A New Urban Agenda" Boston Review February/March 1997 explains how and why progressive can organize to place our nations cities on the path to a high road future.

"Metro Futures: A High-wage, Low-waste, Democratic Economic Development Strategy for America's Cities and Inner-ring Suburbs" by Joel Rogers, Dan Luria, and others. Lays out a general strategy for progressive urban policy organizing with particular reference to the mid-west. see www.cows.org; recently published by Beacon.

"Using Regional Labor Market Analysis in Urban Jobs Strategies" by Brian Bosworth and Joel Rogers details step by step how to conduct research that builds relationships with employers while identifying which employer practices in which industries the community might wish to aid and which it will want to block. see www.cows.org.

Myron Orfield *American Metro Politics: The New Suburban Reality* (Washington, D.C.: The Brookings Institution Press, 2002). A state legislator and activist Orfield uses regional mapping techniques to show how coalitions can be built between cities and a majority of their surrounding suburbs around a common agenda of economic reform.

Economic Development: A Union Guide to the High Road. offers a a good, practical guide for developing high road economics -- details basic low road/high road concepts, lays out a wealth of community and state examples for setting the high road, and offers a tool box on coalition-building, strategic planning, and research and evaluation. (Contact AFL-CIO Working for America Institute cited above.)

David Reynolds *Taking the High Road: Communities Organize for Economic Change* (M.E. Sharpe, 2002). Details current progressive organizing around economic justice and democracy in the United States and Europe.

Nuts and Bolts Guides

Kim Bobo, Jackie Kendall, and Steve Max *Organizing for Social Change: A Manual for Activists in the 1990s* (Washington, D.C.: Seven Locks Press, 1991) includes a helpful chapter on strategic planning.

Charlotte Ryan *Prime Time Activism: Media Strategies for Grassroots Organizing* (Boston: South End Press, 1991).

Nancy Brigham *How to Do Union Newsletters, Leaflets, and Flyers* (PEP Publishers, distributed by Writer's Digest Books/North Light Books 1507 Dana Ave, Cincinnati, OH, 45207, 800-289-90963.)



Living Wage List Serves

All living wage campaigns (hosted by ACORN): livingwage@acorn.org

Student living wage campaigns: slwc@egroups.com

Living Wage Researchers: lwresearch-l@econs.umass.edu

Living Wage Campaigns:

An Activist's Guide

to Building the Movement for Economic Justice

David Reynolds
Labor Studies Center
Wayne State University

with:
ACORN
National Living Wage Resource Center

Published Jointly By the Labor Studies Center, Wayne State University and
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Living Wage **Campaigns**

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contact:

ACORN

Living Wage Resource Center

ACORN chapters have taken a leadership role in more a dozen living wage campaigns, including victories in Chicago, Cook County, Boston, Oakland, Denver, St. Louis, Minneapolis, New York, and St. Paul. To help build the growing living wage movement, ACORN established the Living Wage Resource Center to provide assistance to living wage campaigns wherever they arise. The Center can provide material, advise, and helpful contacts. See also the Living Wage web page off the main ACORN site.



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